

Greenpoint-Williamsburg Rezoning EIS

CHAPTER 3: SOCIOECONOMIC CONDITIONS

A. INTRODUCTION

The New York City Department of City Planning (DCP) is proposing zoning map changes and text amendments, changes to the city map involving street demappings and, in association with the NYC Department of Parks and Recreation, establishment of a park in the Greenpoint and Williamsburg neighborhoods of northern Brooklyn. As described in Chapter 1, the proposed action would map new residential, mixed-use, and light manufacturing zoning districts in the proposed action area to allow residential uses on the waterfront and residential/mixed uses inland, along with light industry. The goals of the proposed action are to create opportunities for new housing and investment on underutilized and vacant land; establish a blueprint for a revitalized waterfront; and produce new development that is sensitive to the existing character of the neighborhood.

This chapter examines the potential effects of the proposed action on the socioeconomic conditions in the study area, including population and housing characteristics, economic activity, and the commercial real estate market. In accordance with the guidelines presented in the *City Environmental Quality Review (CEQR) Technical Manual*, this chapter evaluates five specific factors that could create substantial socioeconomic impacts in an area, including: (1) direct displacement of residential population; (2) direct displacement of existing businesses; (3) indirect displacement of residential population; (4) indirect displacement of businesses; or (5) adverse effects on specific industries not necessarily tied to a project site or area.

This analysis begins with a preliminary assessment. According to the *CEQR Technical Manual*, the goal of a preliminary assessment is to discern the effects of a proposed project or action for the purposes of either eliminating the potential for significant impacts or determining that a more detailed analysis is necessary to answer the question regarding potential impacts. For those factors that could not be eliminated through the preliminary assessment, a more detailed analysis is presented. In sum, the chapter includes:

- A section that defines the study area boundaries and the data sources used for both the preliminary assessment and detailed analyses.
- A preliminary assessment for direct residential, direct business, indirect residential, and indirect business displacement as well as an examination of effects on specific industries:
- A detailed analysis for indirect residential displacement, the one technical area where a socioeconomic impact could not be ruled out by the preliminary assessment. This analysis is presented in three sections: a description of existing housing and demographic conditions in the study area, a description of study area socioeconomic conditions in the future without the proposed action, and the projected impacts under the proposed action.

B. STUDY AREA DEFINITION, DATA SOURCES, AND METHODOLOGY

Study Areas

This analysis includes three study areas: the proposed action area, a primary study area, and a secondary study area. (See Figure 3-1.) As evident from the map, the primary study area forms an approximate $\frac{1}{4}$ mile buffer around the proposed action area, and the secondary study area, a $\frac{1}{2}$ mile buffer. As described in Chapter 2, “Land Use, Zoning, and Public Policy,” the assessment has been adjusted to take into account natural barriers. Thus, the study areas do not extend north over Newtown Creek into the borough of Queens. Chapter 2 provides a description of those man-made and natural barriers that define the broader study area, and information on major land use characteristics of the area.

It should be noted that the three study areas are treated independently, rather than cumulatively in this chapter. This is important when interpreting study area descriptions and statistics. For example, the total population reported for the primary study includes only the population living between the outer boundary of the proposed action area and the boundary between the primary and secondary study areas; it does not include both the proposed action area’s population and the population living in the primary study area.

Data Sources and Methodology

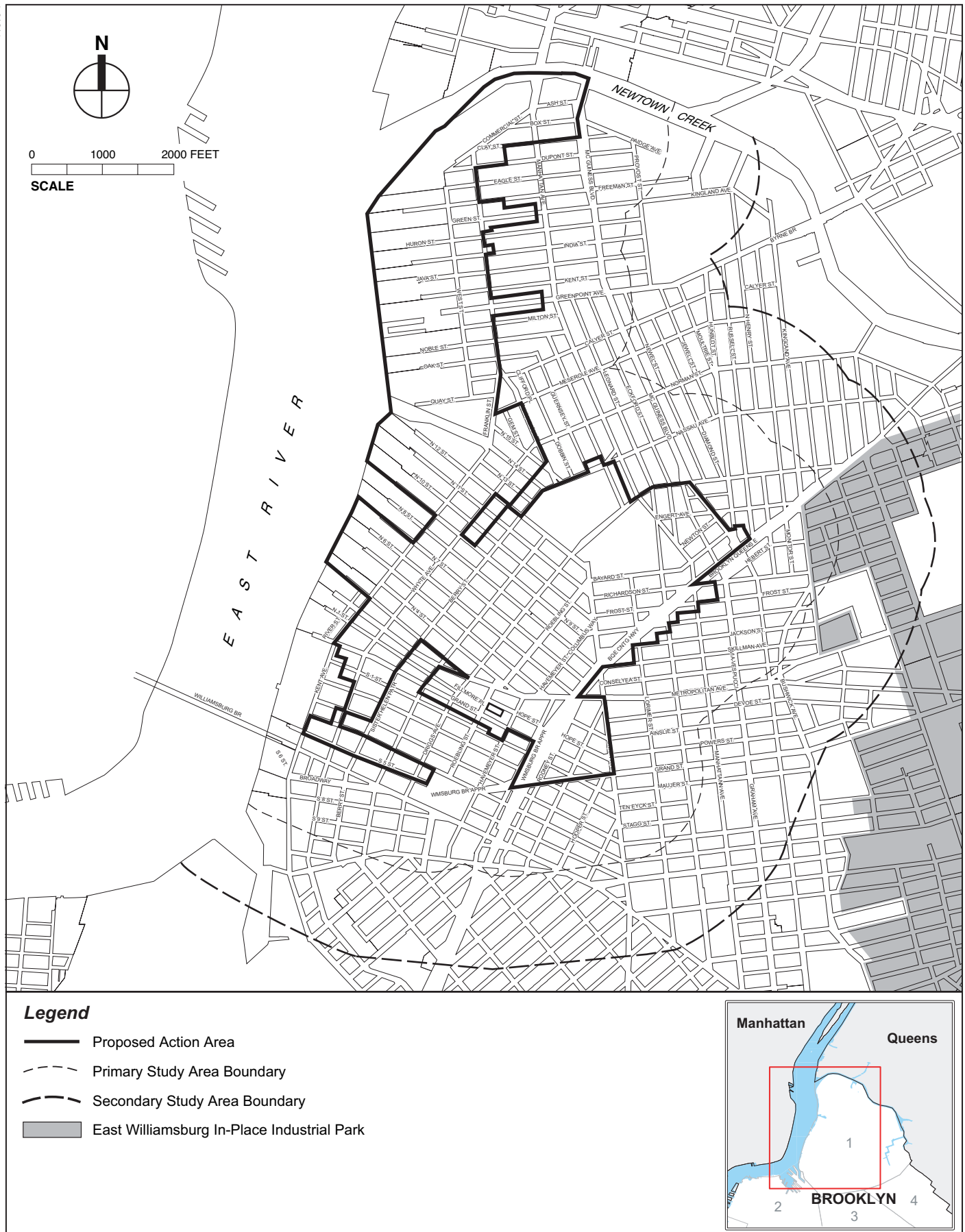
Population and Housing

The analysis of population and housing is based primarily on data from the 1990 and 2000 U.S. Census. These data have been grouped by the three study areas by the following Census characteristics:

- Total population and age of population;
- Occupation characteristics of population;
- Household and income characteristics, including total households, average household size, median and average household income, and percent of households below poverty, and;
- Housing characteristics, including number of housing units, housing vacancy and tenure (owner versus renter occupied), median contract rent, median home value, and proportion of rent controlled or stabilized units.

Because the study areas are defined by the area of the proposed zoning, physical barriers, and proximity to the proposed action area, they do not match the boundaries of U.S. Census tracts. Therefore, for the proposed action area, Census data was gathered at the block-level (a subset of tracts). Blocks that straddle the proposed action area boundary were included or excluded in the proposed action area calculations depending on what proportion of the block fell within the proposed action area (i.e., blocks with more than 50 percent of the block area within the proposed action area were included). The primary study area includes the remaining blocks within Census tracts that straddle the proposed action area/primary study area boundary, as well as Census tracts in their entirety that have at least 50 percent of their area within the outer boundary of the primary study area. The secondary study area captures all Census tracts with more than 50 percent of their area within the secondary study area. Figure 3-2 displays the blocks and tracts that were included in each of the study areas and Appendix A provides a list of blocks and tracts by study area.

Because the Census is performed every decade, baseline, or 2003 conditions need to be determined based on trends and current data. Therefore, while the Census data serves as a foundation for the baseline conditions, the information has been updated wherever possible to reflect 2003 conditions in each study





area. Updates are based primarily on a list of housing units built in the study areas between 2000 and 2003, as compiled by the DCP in October of 2003, based on Real Property Assessment Data (RPAD) from the New York City Department of Finance and final certificate of occupancy data. Corresponding population estimates were derived using the Census average household size and vacancy rates for each study area.

The Census data have been supplemented, where appropriate, with information from local real estate agencies and real estate listings from local newspapers. While Census data on median contract rent provide a statistical basis for identifying trends, these data are affected by the presence of rent-regulated housing units in the study area, and so do not reflect market trends experienced by the majority of residents in the study area. In order to provide a more accurate picture of current market rate rents in the study area, information was gathered from *New York Times* real estate sections, real estate agency web sites, and interviews with brokers.

In accordance with the guidelines set out in the *CEQR Technical Manual*, information was also gathered on the status (rent-regulated or non-rent-regulated) of existing housing units. Information on rent stabilized buildings was obtained from the New York State Division of Housing and Community Renewal (DHCR) and from RPAD. Information on public housing was obtained from the New York City Housing Authority (NYCHA). A list of Mitchell-Lama developments was obtained from the New York City Department of Housing Preservation and Development (HPD). And Section 8 housing was identified through the U.S. Department of Housing and Urban Development (HUD).

Businesses, Institutions, and Employment

Employment data for the Borough of Brooklyn and for the study areas were obtained from the New York State Department of Labor, through DCP. Employment data were gathered for each Census tract and grouped for the proposed action area and the primary and secondary study areas. As described above, Study area boundaries do not conform exactly to Census tract boundaries. Therefore, data for those tracts split by study area boundaries were assigned to a study area depending on which area appeared to include the majority of the tract's employment as determined based on land use data. For sections of the secondary study area, data were analyzed and tallied at the block level. The three employment study areas are mapped in Figure 3-3, and a list of tracts and blocks included in each study area is included in Appendix B.

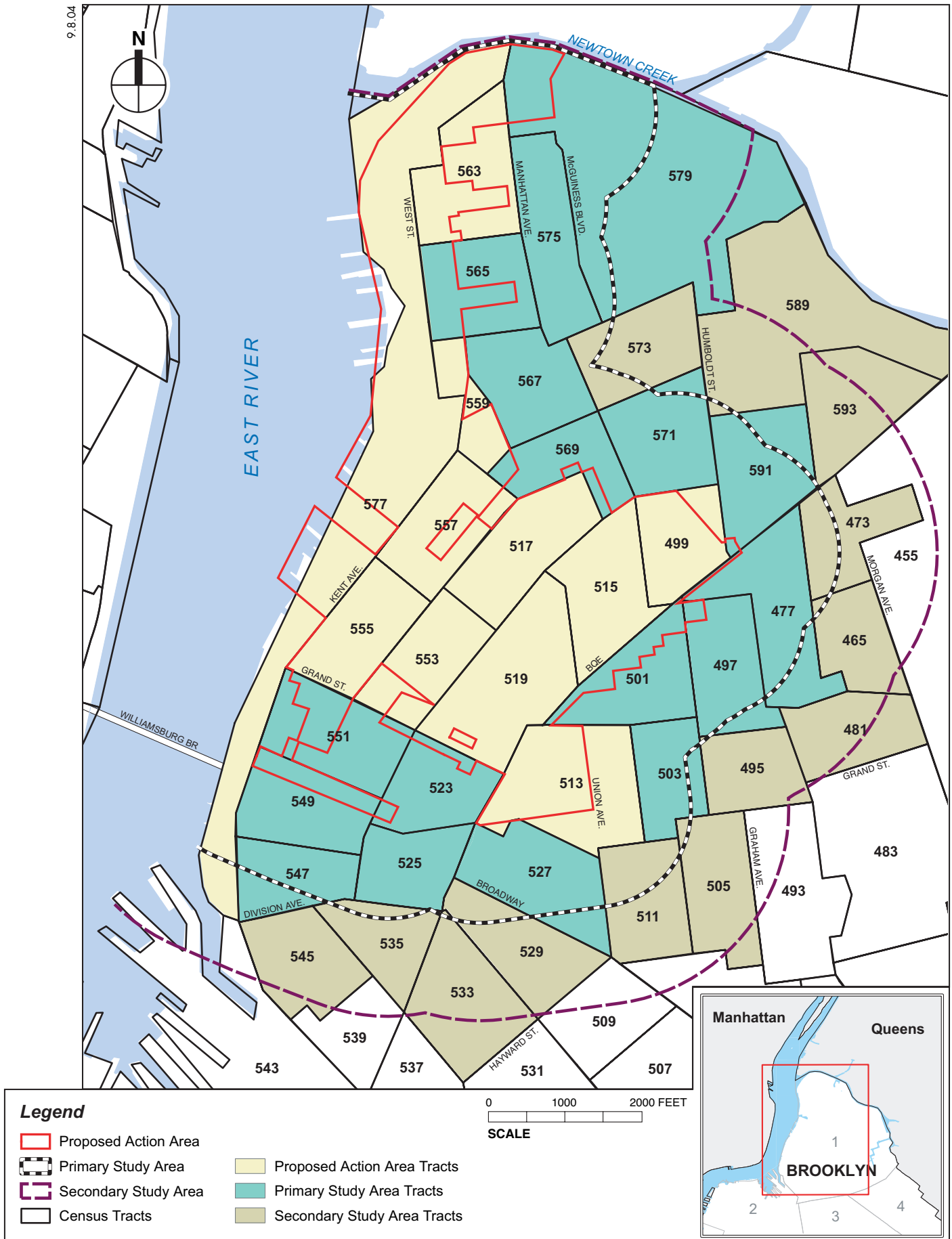
Industrial and Commercial Real Estate

The analysis of industrial and commercial real estate is based on information from real estate brokerages, market research firms, RPAD from the New York City Department of Finance, and field surveys.

Gross square footage estimates for industrial property, along with average square footage estimates for buildings in the proposed action area, primary study area, and secondary study area were derived from LotInfo 2003 data. Estimated vacancies, rental rates, and buying prices for industrial properties in the study areas were provided by Greiner-Maltz, a local real estate brokerage and market research firm, and confirmed through conversations with other firms such as Sholom & Zuckerbrot Realty.

The commercial retail discussion is based on fieldwork conducted in September and October of 2003. The inventory includes all major retail corridors in the study area and was performed on a block-by-block basis so that the retail shops could be grouped into the three study areas. Corridors surveyed include: Manhattan Avenue, Nassau Street, Bedford Avenue, Graham Avenue, Broadway, and Grand Street.

Study Areas for Employment Analysis



C. PRELIMINARY ASSESSMENT

Under CEQR guidelines, the first step in a socioeconomic impact analysis is a preliminary assessment. The goal of a preliminary assessment is to learn enough about the effects of a proposed action either to rule out the possibility of significant impact or to establish that a more detailed analysis will be required to determine whether the proposed action would lead to significant adverse impacts.

Below, each of the five areas of potential socioeconomic impact is examined in relation to the proposed action. For four of these areas—direct residential displacement, direct business displacement, indirect business displacement, and adverse effects on specific industries—the preliminary assessment rules out the possibility that the proposed action would have a significant adverse impact. For the remaining area—indirect residential displacement—the preliminary assessment indicates that a more detailed analysis is necessary to adequately assess whether the proposed action would have a significant adverse impact. The detailed analyses for indirect residential displacement follow this preliminary assessment.

Direct Residential Displacement

Direct residential displacement is not in and of itself an impact under CEQR. According to the *CEQR Technical Manual*, direct residential impacts could occur if the numbers and types of people being displaced would be enough to alter neighborhood character and perhaps lead to indirect displacement of remaining residents. An example would be an urban renewal project, such as Lincoln Square in the 1950's, which eliminated a low-income neighborhood and replaced it with a more affluent population. Preliminary analyses therefore seek to determine: whether the socioeconomic profile of the residents who would be displaced is markedly different from those in the overall study area; whether the displaced population represents a substantial or significant portion of the population within the study area; and whether the action would result in a loss of this population group within the neighborhood.

This preliminary assessment concludes that the proposed action would not cause significant direct residential displacement impacts.

As described in Chapter 1, “Project Description,” it is anticipated that under the proposed action, approximately 8,257 residential units would be constructed on projected development sites in the proposed action area. Assuming that the average household size for these units would be 2.27 (the current average household size for market-rate housing units in the proposed action area and primary study area) and a vacancy rate of 5.4 percent, the units would be occupied by approximately 17,731 residents.¹

Most of the projected development sites currently have no residential uses. The dwelling units currently situated on projected development sites are for the most part located in industrial buildings that have been partially converted to residential use. Based on field observations and NYSDOL employment data, it was determined that four of these sites (119, 236, 308, and 321.1) no longer contain any commercial or industrial activity. The remaining sites (19, 105, 240, and 266) host some business activity. Collectively,

¹ While some of the 8,257 new housing units may be subsidized and affordable to low- or moderate-income households, it is assumed for the sake of this analysis that all new units would be market-rate, i.e., occupied by households earning more than 133 percent of the Citywide median. Based on 2000 Census data, the average household size for households in the proposed action area and primary study area earning 133 percent or more of the Citywide median income is 2.27 persons. This household size, and the 5.4 percent vacancy rate for the proposed action area based on 2000 Census data, was applied to new units.

the sites contain approximately 12 businesses and 60 jobs. Figure 3-4 presents pictures of three of the nine projected development sites containing residential uses.

Although there are currently 122 housing units on the projected development sites, only four housing units are expected to be displaced by the proposed action. These units are located in an industrial building on site 308 that, according to field observations, no longer houses any commercial use. Assuming that the households currently occupying these four units are of average size for the proposed action area (2.2 persons per household), they house approximately 9 residents. As indicated in Table 3-1 it is assumed that the units would remain in place under the No-Action scenario and that under the With-Action scenario, the building would be demolished and new construction would occur on the site. Figure 3-5 shows site 308, where the direct residential displacement would occur.

Residential units on the other eight sites would remain in place. It is assumed those residential structures would be increased through building conversion or new construction on unused portions of the site, rather than replaced. Table 3-1 shows the residential development expected under the No-Action and With-Action conditions on each projected development site currently containing residential uses.

According to the *CEQR Technical Manual*, a direct displacement impact may be significant if the persons being displaced represent more than 5 percent of the study area population, and a population with a similar profile would not be able to relocate within the neighborhood (Chapter 3, Section B-331). The 9 residents who would be displaced under the proposed action represent such a small fraction of the approximately 17,738 persons living in the proposed action area and the 127,450 people living in the broader Greenpoint-Williamsburg study area (as reported in the 2000 Census) that no further analysis is necessary. Direct displacement due to the proposed action would not result in significant adverse impacts.

Direct Business Displacement

The *CEQR Technical Manual* defines direct business displacement as the involuntary displacement of businesses from the site of (or a site directly affected by) a proposed action. A preliminary assessment of direct business displacement looks at the employment and business value characteristics of the affected businesses to determine the significance of the potential impact. A significant direct displacement impact may exist if the businesses in question have substantial economic value to the City or region, are the subject of regulations or publicly adopted plans to preserve, enhance or otherwise protect them, or substantially contribute to a defining element of the neighborhood character.

This preliminary assessment concludes that the proposed action would not cause a significant direct business displacement impact.

Currently, there are approximately 59 firms located on projected development sites. Based on 2002 employment data from the NYSDOL, these firms provide jobs for roughly 727 people. Not all of these firms would be displaced by the proposed action. On some sites, the development anticipated under the proposed action would not affect the existing businesses. On others, the buildings with active commercial uses are expected to be converted to residential use or renovated for other commercial use even if the rezoning does not take place. Figure 3-6 shows projected development sites where direct business displacement would occur under the proposed action. Figure 3-7 provides pictures of some of the sites on which direct business displacement would occur.

Examples of Existing Buildings with Residential Uses on Projected Development Sites



Site 19

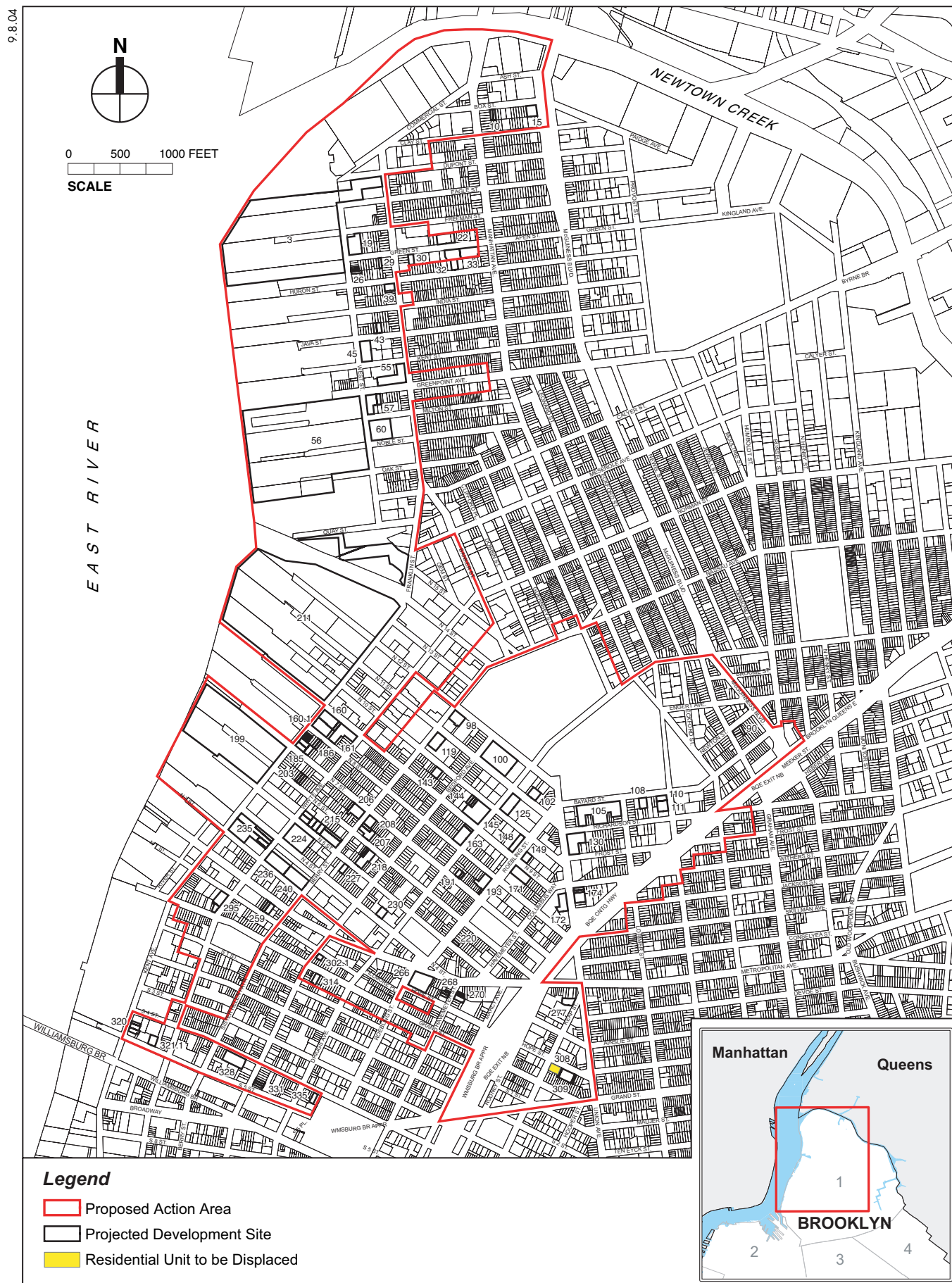


Site 22

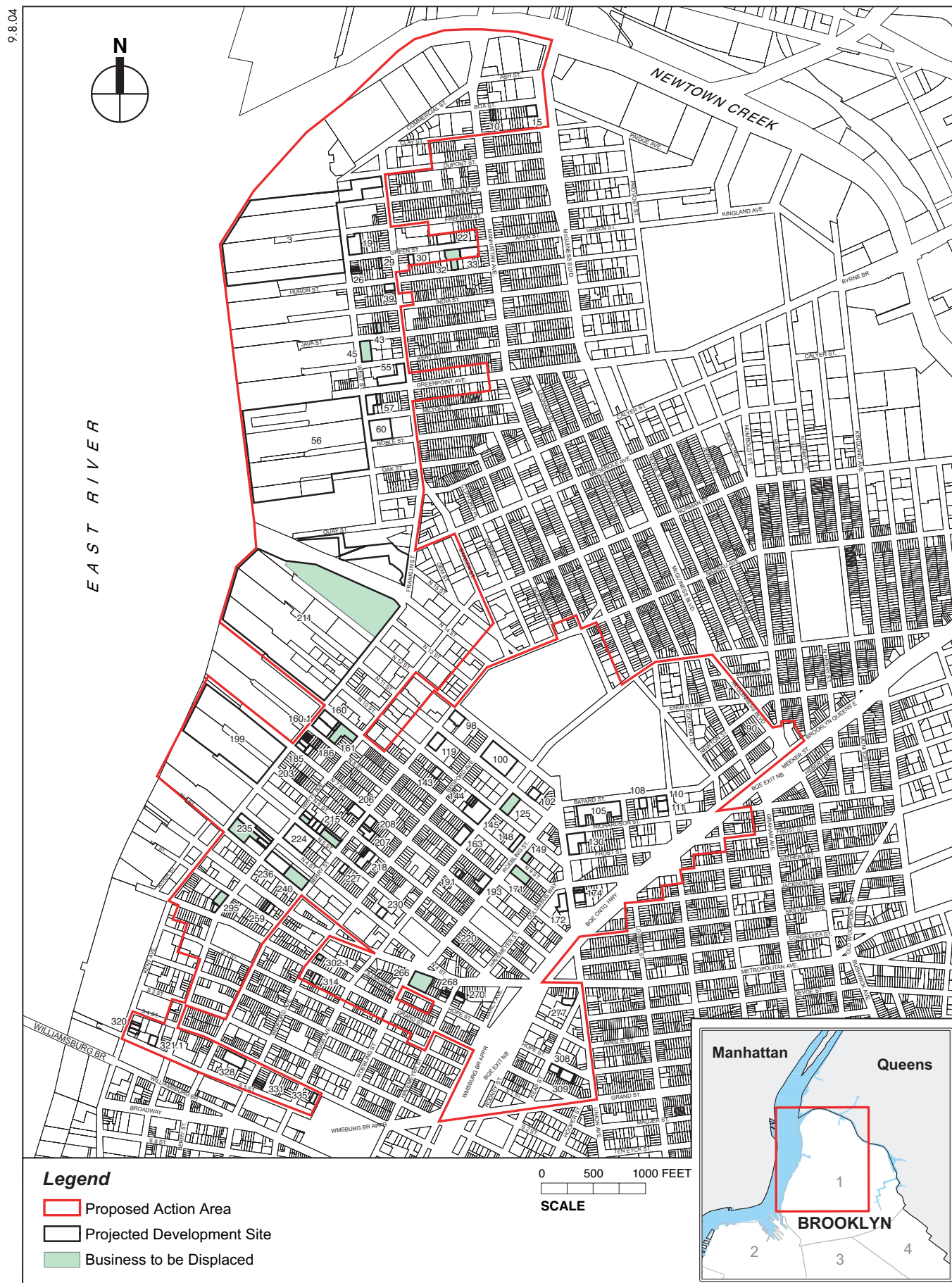


Site 236

Direct Residential Displacement on Projected Development Sites



Direct Business Displacement on Projected Development Sites



Examples of Projected Development Sites with Existing Businesses Subject to Direct Displacement



Site 32



Site 45



Site 171



Site 215

TABLE 3-1
Future Development on Projected Development Sites with Existing Housing Units

Projected Development Site	Current Conditions	No-Action Scenario	With-Action Scenario	Estimated Number of Dwelling Units in 2013	
				No-Action Scenario	With-Action Scenario
19	1 residential unit in a small 3-story industrial building (See Figure 3-4 for picture)	14 residential units will be added, pursuant to a variance that has been granted for the conversion of the building into 15 residential units.	Building would be converted to 31 dwelling units.	15	31
22	8 residential units in a 4-story mixed residential/ industrial building (See Figure 3-4 for picture)	Existing units will remain and no further development will occur on the site.	Building would undergo additional residential conversion, yielding a total of 21 dwelling units.	8	21
105	1 residential unit in a large 4-story loft building	Building will be converted as of right to residential use. Assuming that the building will be constructed to meet the maximum Floor Area Ratio (FAR) of 2.43, new construction will yield 177 residential units.	Conversion and additional construction would yield a total of 159 dwelling units.	177	159
119	17 residential units in a 6-story building	Building would be converted to 35 units, pursuant to a variance that has been granted.	As of right conversion would yield a total of 36 residential units.	35	36
236	37 residential units in a large 6-story industrial building (See Figure 3-4 for picture)	Building will be converted to 59 residential units, pursuant to a variance that has been granted.	Building will be converted to 59 residential units, pursuant to a variance that has been granted.	59	59
240	22 residential units in a 4-story mixed industrial/ residential building	Existing units will remain and no further development will occur on the site.	Building would undergo additional residential conversion, yielding a total of 37 dwelling units.	22	37
266	28 residential units in a large 5-story mixed residential/ industrial building	Existing units will remain and no further development will occur on the site.	Additional residential conversion would yield a total of 53 dwelling units.	28	53
308	4 residential units in a 4-story mixed residential/ industrial building	Existing units will remain and no further development will occur on the site.	Based on a filed variance for new construction, the building would be demolished and new as of right construction would occur, yielding a total of 16 dwelling units.	4	16
321.1	4 residential units in a 3-story mixed residential/ industrial building	Existing units will remain and no further development will occur on the site.	Additional residential conversion would yield a total of 10 dwelling units.	4	10
TOTAL UNITS	122			352	422
Source: New York City Department of City Planning, June 2004 (See also Chapter 1, "Project Description.") Note: All existing housing units would remain in place under the No-Action scenario. Under the With-Action scenario, the four units on Site 308 would be replaced and all other units would remain.					

Excluding those businesses that would be displaced both in the With-Action and No-Action scenarios, the proposed action would directly displace approximately 38 firms and 580 employees.² As shown in Table 3-2, these include a total of 29 industrial firms: 9 manufacturers, 5 construction firms, 8 wholesale businesses, and 7 businesses engaged in transportation, communications, or public utility work. Business activities vary within each category. For example, the 9 manufacturing firms produce an assortment of

² This figure does not include approximately 147 employees who are currently working at businesses located on projected development sites, but who would be displaced under both Action and No-Action conditions.

products such as concrete, home furnishings, and apparel, and the 8 wholesale firms distribute products such as food, petroleum, and clothing. The 9 non-industrial firms subject to displacement with the proposed action include an eating and drinking establishment, a document storage facility, several small real estate management companies, and other small professional services firms.

TABLE 3-2
Employment Subject to Direct Displacement Under Proposed Action

	Employees	% of total	Number of Firms	% of total
Business, Legal, Professional & FIRE	144	24.8%	7	18.4%
Construction	30	5.2%	5	13.2%
Manufacturing	68	11.7%	9	23.7%
Wholesale	160	27.6%	8	21.1%
TCPU	114	19.7%	7	18.4%
All Other	64	11.0%	2	5.3%
TOTAL	580	100.0%	38	100.0%
Notes: TCPU stands for Transportation, Communications, and Public Utilities. The "Other" category includes businesses falling into the Entertainment Services, Health and Social Services, Other Industrial, Other Services, Retail, and Unclassified industrial categories. Source: New York City Department of City Planning, based on NYS Department of Labor data				

This preliminary assessment is based on the screening criteria (in italics, below) presented in section 321.2 of the *CEQR Technical Manual*. According to the manual, a proposed action may have a significant direct business displacement impact if:

The businesses or institutions in question have substantial economic value to the City or region and can only be relocated with great difficulty, or not at all.

As set forth in the *CEQR Technical Manual*, the consideration of a business' economic value is based on: 1) its products and services; 2) its locational needs, particularly whether those needs can be satisfied at other locations; and 3) the potential effects on businesses or consumers of losing the displaced business as a product or service. As described above, the businesses subject to direct displacement offer a wide variety of products (e.g., apparel, cabinetry, industrial supplies, food) and services (e.g., packing and crating, information retrieval, trucking, graphic design). None of these products or services is unique to the proposed action area; similar products and services are offered at other locations borough- and citywide. Therefore, their products and services do not classify them as businesses having substantial economic value to the City or region.

Current real estate data and property listings suggest that businesses displaced by the proposed action would have ample opportunity to relocate in Brooklyn, and some, within Greenpoint or Williamsburg. As described under the preliminary assessment for Indirect Business Displacement and indicated in Figure 3-1, the northwestern tip of the 650-acre East Williamsburg In Place Industrial Park (IPIP) is located within the secondary study area. The building stock in the park includes both single-story buildings, some with multi-purpose yard space, and multi-level loft buildings with freight elevator access, suitable for light manufacturing businesses. In 2003, the park had a vacancy rate of approximately 15 percent. In general, sale prices range between \$75 and \$125 per square foot (psf), and lease prices range from \$7 to \$15 psf.

These rates are comparable to, or lower than proposed action area rental rates, which are around \$10 psf for larger buildings and \$13 to \$14 psf for smaller spaces.³

Other IPIPs in Brooklyn include the Sunset Park Industrial Park and the East New York IPIP. In 2003, vacancy rates were approximately 10 percent in the East New York IPIP and 5 percent in the Sunset Park IPIP. East New York IPIP rental rates ranged between \$6.80 and \$7.25 psf for built space and \$10 psf for City-owned vacant land. At the Sunset Park Industrial Park, privately-owned buildings can be leased for \$10 to \$12 psf and space within the Brooklyn Army Terminal and Bush Terminal industrial buildings range from \$6 to \$8 psf.

Between the Brooklyn IPIPs, the 300-acre Brooklyn Navy Yard, the five IPIPs in Queens and the Bronx, and the general availability of industrial space throughout Brooklyn and the City, it is expected that the businesses subject to displacement under the proposed action should be able to find available space at other locations. Thus, the proposed action passes this screening factor in that the businesses that could be displaced would have ample opportunity to relocate within Brooklyn, or even within the proposed action area.

Finally, the displacement of these businesses would not have a significant negative effect on businesses or consumers in the proposed action area. Most of the businesses subject to displacement are not businesses that local consumers would rely on for goods or services, or businesses that might necessitate close proximity to business partners or a particular customer base. Rather, they are engaged in manufacturing, wholesale distribution, or construction—products and services that are offered by many businesses throughout the city and can be produced in many different locations. Furthermore, the magnitude of the displacement would not be particularly large in comparison to employment losses experienced in some sectors over recent decades. For example, as discussed under the analysis for indirect business displacement, manufacturing employment in Brooklyn fell by over 31,700 jobs between 1990 and 2002, and 2,347 of these jobs were in the proposed action area. In comparison, the proposed action area would displace only 68 manufacturing employees.

A category of businesses or institutions that may be directly displaced is the subject of other regulations or publicly adopted plans to preserve, enhance, or otherwise protect it.

The businesses subject to direct displacement under the proposed action are not subject to regulations or publicly adopted plans to preserve, enhance, or protect them. Both the 2002 *Greenpoint 197-A Plan* and the 2002 *Williamsburg Waterfront 197-A Plan* articulate a desire to promote neighborhood-scale retail development and to encourage non-polluting businesses compatible with residential and commercial development.⁴ The plans focus on preserving “high performance” industry, retaining manufacturing zones where concentrations of industry exist, and implementing mixed-use zoning to promote high-performance industry appropriate to a mixed-use area. The proposed action is consistent with these goals.

The proposed action would also support goals set out in DCP’s 1994 *Plan for the Brooklyn Waterfront*. One of the four main goals of that plan is to promote new uses on the redeveloping waterfront, where land uses have recently changed or where vacant and underutilized properties suggest potential for beneficial change. As described in Chapter 2, “Land Use, Zoning, and Public Policy,” the plan calls for the rezoning

³ Current rental rates for industrial space were provided by Greiner-Maltz, a local real estate brokerage and market research firm.

⁴ These goals are presented on pages 56 and 113 of the *Greenpoint 197-A Plan* and the *Williamsburg Waterfront 197-A Plan*, respectively.

of waterfront property in the study area from industrial to residential to allow redevelopment of these properties, as well as a zoning change from heavy manufacturing uses to light manufacturing uses (M3 to M1). In the manufacturing zoned areas, as well as the mixed-use zoning districts, zoning would allow the continuance of light “high performance” industry which is consistent with the Plan for the Brooklyn Waterfront as well as the 197-a plans cited above. Considering that employment in many types of industrial businesses has been decreasing for the past several decades and will likely continue to do so in the future, the amount of land that would remain available for industrial use under the proposed action would likely be adequate to accommodate industrial businesses in the future. As a result, while there are no policies or regulations that directly protect the businesses that are expected to be displaced and the proposed action therefore does not require a detailed assessment of this impact, it can be concluded that the proposed action is also consistent with plans and policies to revitalize the waterfront and accommodates policy objectives for preserving “high performance” industry.

The business or institution defines or contributes substantially to a defining element of neighborhood character, or if a substantial number of businesses or employees would be displaced that collectively define the character of the neighborhood.

None of the individual businesses subject to direct displacement define the character of the Greenpoint or Williamsburg neighborhoods. Manufacturing uses in general do have a long history in the Greenpoint and Williamsburg neighborhoods and today, though their numbers have dwindled, they continue to make a positive contribution to neighborhood character in some areas. It is the intent of the proposed action to allow a greater mix of uses. This would include expanding residential uses west towards the traditional, now underutilized, waterfront manufacturing areas, and protecting a core manufacturing center. This would be achieved by creating new residential zoning along the waterfront, but also by designating special mixed-use districts that would allow a mix of industrial, residential, and commercial uses. In addition, approximately 19 blocks of the study area would be zoned for light manufacturing (a change of zone from M3-1 to M1-2). Both the mixed-use zoning and the M1 zoning would allow light manufacturing/warehouse activities, or “high performance” manufacturing activities, to remain in the community. This is consistent with the 197-a plans and would allow manufacturing uses to remain an integral part of the neighborhood.

In general, residential development under the proposed action is expected to occur on the underutilized properties of the proposed action area. Developing these underutilized properties while preserving manufacturing zones would ensure that the diversity of the neighborhood character is retained, while allowing for growth and investment in the community with a mix of uses. The proposed action also maintains manufacturing zoning within the portion of the proposed action area located within the Newtown Creek Significant Maritime Industrial Area (SMIA), consistent with both the Plan for the Brooklyn Waterfront and the new Waterfront Revitalization Program (WRP).

As illustrated in Table 3-2, only 23.7 percent of the businesses expected to be displaced under the proposed action are actually involved in manufacturing, with another 21.1 percent in wholesale. Of these manufacturing businesses, there are few small manufacturers specializing in high-end custom products (e.g., door and window frames, furniture, or iron railings). Moreover, businesses of that type are located throughout the study area, such that the displacement of a few would not affect the overall custom manufacturing industry in the broader study area. These industries could continue to grow and occupy space in buildings in remaining manufacturing districts, and in buildings within the proposed action area that are not expected to be affected by the proposed action.

Indirect Residential Displacement

Indirect residential displacement is the involuntary displacement of residents that results from a change in socioeconomic conditions created by a proposed action. In most cases, the issue for indirect residential displacement is whether an action would increase property values and thus rents throughout the study area, making it difficult for some residents to afford their homes. (Increased value of owner-occupied units would not result in involuntary displacement.)

The preliminary assessment for indirect residential displacement is based on population and housing data that is presented later in this chapter, under Section D, “Detailed Analysis.” The information includes: summary population and housing unit counts, socioeconomic indicators such as median household income and poverty status, housing value and median contract rents, vacancy rates, presence of population groups particularly vulnerable to economic changes (e.g., low income residents) and overall development trends in the area.

This preliminary assessment is based on the screening criteria (in italics, below) presented in section 322.1 of the *CEQR Technical Manual*. According to the manual, a proposed action may have a significant indirect residential displacement impact if it would have any of the following characteristics:

Adds substantial new population with different socioeconomic characteristics compared to the size and character of the existing population.

According to the *CEQR Technical Manual*, an increase in study area population with different socioeconomic characteristics compared to the size and character of the existing population of 5 percent or more may lead to significant indirect residential displacement. As described above, the proposed action would add approximately 17,731 new residents to the proposed action area by 2013. This represents a substantial addition of new population to the area—a net increase of 15,872 residents, or 78 percent over the No-Action condition. This represents a potential population increase of 18 percent over the No-Action condition in the combined proposed action area and primary study area, and 12 percent in the combined proposed action area, primary and secondary study areas. Residents living in the new housing units would represent approximately 44 percent of the proposed action area population and 10.5 percent of the study area population in 2013.

The proposed action is expected to induce the construction of market rate units. The newly constructed units are expected to command higher rents than older, existing buildings located in the Greenpoint-Williamsburg proposed action and study areas. Assuming that the new units attract new residents, these new residents are likely to have socioeconomic characteristics that are different from at least portions of the existing population and the population in the future without the proposed action. While household income and rental rates have increased substantially in the proposed action area over the past several years and may continue to increase, they still fall below the averages for New York City and many of the more “desirable” outer-borough neighborhoods.⁵ According to the 2000 Census, the median household income in the proposed action area is approximately \$34,850. Although this is higher than the median for Brooklyn (\$32,135) it is lower than the citywide median (\$38,290) and well below the incomes that can reasonably be anticipated for new households moving into buildings constructed under the proposed action.

⁵ Rental rates for Greenpoint and Williamsburg were gathered through phone conversations with local real estate agencies such as Greenpoint Properties, Inc., Central Brokerage Realty, and Kenn Firlo Realty, and through real estate sections of local newspapers such as the *New York Times*. Information on rents in other Brooklyn neighborhoods was obtained from Corcoran Realty and the *New York Times*.

It is likely that some portion of the households currently living in the proposed action area have incomes comparable to those expected for new households under With-Action conditions. It is also likely that the trend towards increasing household incomes will continue to accelerate, and possible that by 2013, a large proportion of proposed action area households will have household incomes that are above the area's current median household income. Nonetheless, the potential number of higher income households which may be introduced as a result of the proposed action indicates that further analysis is needed to fully address the indirect displacement concern.

Directly displaces uses or properties that have had a “blighting” effect on property values in the area.

It is the intent of the proposed action to provide zoning changes that will enable the rezoning area to transform from an underutilized industrial area to a more vibrant mixed-use community that provides much needed housing and significantly expanded open space resources. As discussed in Chapter 2, “Land Use, Zoning, and Public Policy,” unused dilapidated buildings and lots used for storage of vehicle or construction equipment are common in the proposed action area. However, upward trends in median contract rent and housing values indicate that these underutilized properties have not had a blighting effect on residential properties. From 1990 to 2000, the median contract rent in the proposed action area increased by 42.8 percent. This increase is substantially higher than the one experienced in Brooklyn as a whole, where median contract rent increased by 10 percent. The upward trend in the proposed action area's residential real estate market is not indicative of an area suffering from blight.

Directly displaces enough of one or more components of the population to alter the socioeconomic composition of the study area.

As described above, the proposed action would directly displace approximately 9 residents. This constitutes a small proportion of the proposed action area population. As a result, this displacement would not have the potential to alter the socioeconomic composition of the study area.

Introduces a substantial amount of a more costly type of housing compared to existing housing and housing expected to be built in the study area by the time the program is developed.

As stated above, rents in the Greenpoint and Williamsburg neighborhoods have increased markedly over the past several years, with the median contract rent in the proposed action area increasing by 42.8 percent between 1990 and 2000, and the median contract rent in the primary and secondary study areas increasing by 21 and 11 percent, respectively. Despite these increases, however, average rental rates in the study area are lower than the rates estimated for new units introduced under the proposed action. Currently, the average market-rate (not subject to rent regulations) one bedroom apartment rents for approximately \$1,100 per month in Greenpoint and \$1,200 per month in Williamsburg; on average, two bedroom apartments rent for between \$1,300 and \$1,600 per month in Greenpoint, and between \$1,500 and \$1,800 per month in Williamsburg.⁶ The proposed action is expected to induce the construction of market rate units. The newly constructed units are expected to command higher rents than older, existing buildings located in the Greenpoint-Williamsburg proposed action and study areas.

Given the sizeable increases in median contract rent in the study area between 1990 and 2000, the substantial amount of new construction activity that has occurred, and high number of variances that have

⁶ Rental rates for Greenpoint and Williamsburg were gathered through phone conversations with local real estate agencies such as Greenpoint Properties, Inc., Central Brokerage Realty, and Kenn Firlo Realty, and through real estate sections of local newspapers such as the *New York Times*.

been requested for the study area since 2000, it is likely that rental rates in Greenpoint and Williamsburg will continue to rise over the next several years. It is possible that a higher proportion of apartments in the study area will be commanding high-end rental rates by 2013, and that those rents would be comparable to the rental rates for new units constructed under the proposed action. Nonetheless, the disparity between current rental rates and those that can be reasonably anticipated for new housing units built under the proposed action indicates that further analysis is necessary to fully address the indirect residential displacement concern.

Introduces a “critical mass” of non-residential uses (for example, a large office complex), such that the surrounding area becomes more attractive as a residential neighborhood complex.

The primary aim of the proposed action is to allow more residential development in the proposed action area. The 337,160 sf of retail and neighborhood services space anticipated under the With-Action scenario would not constitute a “critical mass” and would exist primarily to serve the daily needs of new and existing residents. Furthermore, it is anticipated that any retail introduced under the proposed action would be similar in character and scale to the retail present in the study area today.

Alters land uses such that it offsets positive trends in the study area, impedes efforts to attract investment to the area, or creates a climate for disinvestment.

The proposed action clearly would not impose any type of change that would diminish investment in the proposed action area or broader study area. To the contrary, it would allow and encourage more opportunities for investment in the Greenpoint and Williamsburg communities.

Indirect Business Displacement

Indirect business displacement is the involuntary displacement of businesses that results from a change in socioeconomic conditions created by a proposed action. Similar to indirect residential displacement, the issue for indirect business displacement is that an action would increase property values and thus rents throughout the study area, making it difficult for some categories of business to remain at their current locations.

The preliminary assessment is based on a characterization of the study area in terms of: conditions and trends in employment; physical and economic conditions; existing conditions and trends in real estate values and rents; zoning and other regulatory controls; the presence of categories of vulnerable businesses/institutions or employment; and underlying trends in the City’s economy. Like the assessment for indirect residential displacement, the preliminary assessment is based on the screening criteria outlined in the *CEQR Technical Manual*. These criteria are presented (in italics) and responded to below. The data used to inform those responses is presented afterwards.

This preliminary assessment concludes that the proposed action would not cause significant indirect business displacement impacts.

Impact Assessment

According to the manual, a proposed action may have a significant indirect business displacement impact if it:

Introduces enough of a new economic activity to alter existing economic patterns.

As described above, the proposed action would introduce an estimated 337,160 square feet of retail and neighborhood services space to the proposed action area—a net growth of 253,698 square feet over conditions in the No-Action scenario. Considering that the broader study area contains over 2 million square feet of ground floor retail and neighborhood services space along its major commercial corridors (not including other establishments scattered throughout the area) this amount of new development is not particularly significant.

The new commercial establishments would be dispersed throughout the proposed action area, and the types of commercial uses expected under the proposed action—neighborhood goods and services—would not be new to the proposed action area. As described below under “Economic Conditions in the Study Area,” the proposed action area alone presently contains approximately 130 active retail and neighborhood services businesses along its major retail corridors (with additional businesses located outside of these corridors).

The expanded commercial space would provide local goods and services for the new population that would move into the area under the proposed action, particularly at the waterfront sites where some 185,000 sf of commercial space would be provided. Thus, because the commercial retail uses would serve the added demand from the future new resident populations, and there are strong existing retail corridors throughout the study area, it is not expected that the proposed action would result in significant adverse impacts. Moreover, the added income to the area would be expected to support the existing retail corridors such as Bedford Avenue, Manhattan Avenue, and Metropolitan Avenue in addition to the new establishments introduced under the proposed action.

The proposed action would also permit the as-of-right residential conversion or redevelopment of properties in the proposed action area that, in the future without the action, would continue to be manufacturing-zoned. This may marginally alter existing economic patterns, which have already seen an increase in the number of residences in manufacturing zones, as described in Chapter 2, “Land Use, Zoning, and Public Policy.” However, a trend of rising rents, and falling manufacturing and other industrial employment has already been observed in those locations where as-of-right residential development would be permitted by the proposed action. There is also a trend of rising industrial rents in those areas. Moreover, manufacturing zoning is proposed to be retained in those areas that continue to have a concentration of industrial businesses. Given these trends, the introduction of a greater number of residential units as a result of the proposed action is not expected to induce significant amounts of indirect business and industrial displacement.

Adds to the concentration of a particular sector of the local economy enough to alter or accelerate an ongoing trend to alter existing economic patterns.

As described above, the 253,698 net new square feet of commercial retail development anticipated under the proposed action would not alter economic trends, but would add to the existing retail base, which has been expanding as the area attracts more, and higher-income, residents. This new commercial activity would be dispersed throughout the proposed action area and is not anticipated to be regional destination retail that would draw customers from a larger area. In sum, the neighborhood goods and services that are anticipated would, in fact, support the existing commercial retail pattern (no new commercial office space is proposed). No significant indirect adverse impacts on any sector of the local economy would be expected with the proposed action.

Displaces uses or properties that have had a “blighting” effect on commercial property values in the area, leading to rises in commercial rents.

It is the intent of the proposed action to create new investment that would transform underutilized industrial properties to create a more vibrant mixed-use community, while preserving the mixed-use character of the neighborhood. As discussed above, unused deteriorated buildings and vacant lots used for storage of vehicle or construction equipment are located throughout the proposed action area. The projected development sites largely comprise the most underutilized properties—properties that may have historically had some blighting effect on surrounding properties and thus present the greatest opportunity for redevelopment. However, as described in Existing Conditions, retail and neighborhood services businesses in the proposed action area are largely clustered along Bedford Avenue. These properties are in active use and are removed from the underutilized areas, serving the more active residential uses to the east of the waterfront. Thus, it is unlikely that the underutilized sites projected for development have depressed retail rents in the area, and it is therefore unlikely that their redevelopment would induce rent increases beyond what would occur in the No-Action Condition.

Likewise, the area’s remaining industrial businesses are to a large extent located outside of those areas where building and lot conditions might be considered blighted. As indicated in the existing conditions section below, manufacturing businesses have been relocating away from waterfront sites in recent years, and other types of businesses have located in the proposed action area in response to the shift away from its historical manufacturing base. At the same time, residential uses have extended into the traditional manufacturing areas.

Overall, the downward trend in manufacturing employment in the study area has lead to a decrease in demand for industrial space and an increase in the number of vacant and underutilized industrial properties. The continued decline in manufacturing employment along the waterfront, which is anticipated in the No-Action Condition, coupled with the large amount of available industrial space and the increased desirability of the area for residential and non-industrial business growth, would offset the effects of removing “blighted conditions” and any residual effect that may have on local commercial rents. Light industrial tenants and artists displaced by the proposed action could most likely find space to relocate elsewhere in the study area or in nearby industrial areas.

Directly displaces uses of any type that directly support businesses in the area or bring people to the area that form a customer base for local businesses.

The proposed action would not displace uses that directly support local businesses or that draw a customer base to the area. As described earlier under “Direct Business Displacement,” many of the businesses subject to displacement are wholesale or manufacturing firms. These types of firms do not typically draw large volumes of customers to their locations, thereby creating a customer base for surrounding businesses. In addition, the proposed action would create a whole new customer base of residents, employees, and visitors to the residential uses and the waterfront. As a result, it is not expected the proposed action would result in a significant adverse impact on local business support.

Directly or indirectly displaces residents, workers, or visitors who form the customer base of existing businesses in the area.

As stated above, the proposed action would directly displace only 9 residents. And although it could directly displace up to 580 employees, future total employment in the proposed action area—accounting for new employment brought to the area under the proposed action, continued growth in industry sectors such as entertainment services, FIRE (finance, insurance, and real estate), and health and social services,

and continued decline in manufacturing and other industrial sectors—is still anticipated to be higher under With-Action conditions than under No-Action conditions. New retail and services businesses anticipated under the proposed action would bring approximately 1,010 new jobs to the proposed action area, or roughly 805 net new jobs when compared to No-Action conditions.⁷ Accounting for the 580 jobs that would be directly displaced by the proposed action, the study area under With-Action conditions would include approximately 225 more jobs in 2013 than it would under No-Action conditions.

It is important to note that this estimate is based only on known or anticipated future commercial developments. It does not account for continued decreases in manufacturing employment or continued growth in other employment sectors. As discussed below under “Economic Conditions in the Study Area,” it is likely that manufacturing employment would continue to decrease in the future without the proposed action. Between 1991 and 2002, employment in the proposed action area fell by approximately 13 percent, or 1,280 workers, and much of this decrease was attributable to the manufacturing sector, which lost roughly half of its 1991 employment (about 2,345 employees) over the 11-year period. Over the same time period, manufacturing employment in the primary study area fell by 61 percent, and in the secondary study area, by 47 percent. It is likely that this decline in manufacturing employment would continue into the future regardless of the proposed action. If, between 2002 and 2013, manufacturing employment decreased at half the rate it did between 1991 and 2002, it would still decline by approximately 595 employees in the proposed action area and 1,400 employees in the Greenpoint-Williamsburg study area.

The influx of approximately 15,872 net new residents would create a sizable new customer base for existing and planned retail and services businesses. Furthermore, residents living in the newly constructed units are expected to have higher incomes than the existing population, increasing the spending power that would be available for capture by existing and proposed retail and service establishments.

In addition to the 8,257 households anticipated under the proposed action, the primary study area is expected to grow by at least 1,490 households by 2013. These households would also be expected to spend part of their household income on retail goods and personal services in the proposed action area. Because the anticipated growth in number of households and household spending is large and the amount of commercial development expected under the proposed action is modest, it can be assumed that household demand for retail and neighborhood services would reasonably support both new and existing retail and neighborhood services establishments. As a result, the proposed action is not expected to result in a significant adverse impact on the customer base of the area. In fact, the impacts could be positive.

Alters land use patterns such that the project offsets positive trends in the area, impedes efforts to attract investment to the area, or creates a climate for disinvestment that could lower property values.

The proposed action would in no way offset positive trends, impede efforts to attract investment to the area, or create a climate for disinvestment or result in lower property values. In fact, the proposed action would have the opposite effect, reinforcing the trend towards increasing residential investment, drawing direct investment to the area through housing construction, parkland creation, and related transportation improvements, and significantly increasing the area’s spending power, thereby benefitting existing commercial establishments. As a result, the proposed action would not have a significant adverse impact on this socioeconomic factor.

⁷ This estimate is based on the assumption that most new commercial development would house retail or neighborhood services businesses. These types of businesses typically employ 3 people per 1,000 sf of space. So 337,160 sf of new space would accommodate approximately 1,010 employees.

Economic Conditions in the Study Area

The objective of the preliminary assessment is to characterize the area to be affected. According to the *CEQR Technical Manual*, a business and employment profile can be developed using information about: conditions and trends in employment and businesses; physical and economic conditions; existing conditions and trends in real estate values; zoning and other regulatory controls; presence of categories of vulnerable businesses/institutions or employment; land use and transportation service; and underlying conditions and trends in the City's economy. Information on each of these topics is provided below.

Conditions and Trends in Study Area Employment and Business, and Underlying Conditions and Trends in the City's Economy

This section presents an employment profile for each of the study areas, and highlights ways in which these profiles have changed over time. As discussed in further detail throughout this section, the proposed action area and surrounding study areas have experienced a drastic decline in manufacturing employment over the past several decades. While some smaller manufacturing firms remain, industrial activity has largely shifted toward non-manufacturing uses such as the wholesaling and distribution of food and beverages, furniture, and apparel and construction-related uses.

In order to understand employment shifts in Greenpoint and Williamsburg, it is useful to examine employment trends in the Borough as a whole. Private sector employment in Brooklyn has changed significantly in both number and character over the past several decades. As shown in Table 3-3, employment decreased by approximately 28 percent or 138,375 workers between 1960 and 1980, and then rose after 1980, to approximately 405,870 in 2002.

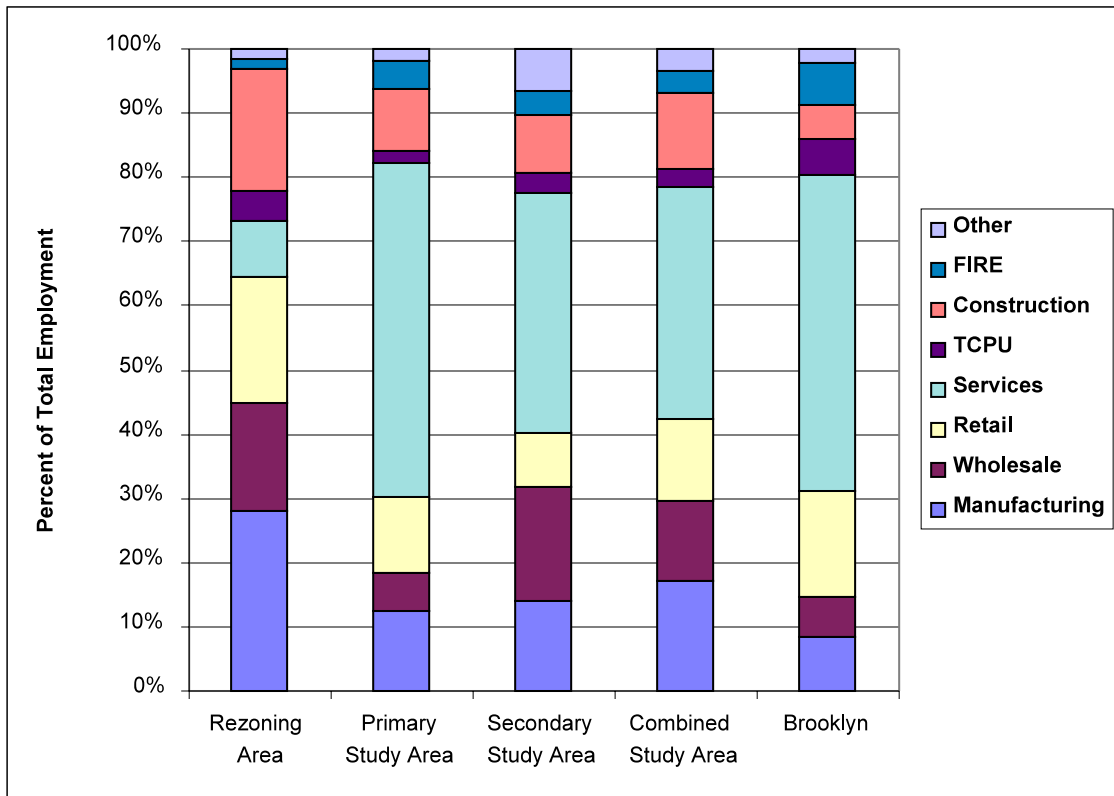
TABLE 3-3
Brooklyn Private Sector Employment: 1960-2000

Major Industrial Category	Employment						Percent Change	
	1960	1970	1980	1990	2000	2002	1990-2002	1960-2002
Manufacturing	224,600	177,700	102,418	66,251	41,845	34,496	-47.9%	-70.8%
Manufacturing % of Total Employment	44.9%	39.0%	28.3%	17.7%	10.3%	8.5%	-9.2%	-36.4%
Construction	21,000	16,000	12,331	20,695	24,024	20,886	0.9%	73.3%
TCPU	32,800	41,400	27,539	22,814	25,559	22,831	0.1%	-33.2%
Wholesale Trade	28,800	25,800	23,518	26,535	28,197	25,228	-4.9%	6.4%
Retail Trade	79,700	80,000	65,486	65,125	67,017	66,770	2.5%	-8.3%
FIRE	27,800	26,200	23,427	22,604	27,042	26,948	19.2%	1.7%
Services	84,100	87,000	103,349	147,136	191,420	200,255	36.1%	118.8%
All Other	1,000	1,100	3,346	2,484	2,993	8,444	239.9%	744.4%
Total Industry	499,800	455,200	361,425	373,830	408,103	405,868	-18.8%	8.6%
Source: NYS Department of Labor								

Of all major employment categories, manufacturing experienced the largest decline in both absolute and relative numbers. Between 1960 and 2000, the sector lost approximately 182,755 jobs, or over 80 percent of its employment base. Between 2000 and 2002, manufacturing employment dropped by another 7,350 employees, or by about 17 percent. This decrease is reflective of a broader, citywide decrease in manufacturing employment over the past several decades. Citywide, employment in the manufacturing sector fell by approximately 75 percent between 1960 and 2000.

Employment trends in the study area have largely paralleled Brooklyn's employment patterns, with manufacturing employment decreasing significantly, offset by substantial increases in services employment. As illustrated in Figure 3-8, however, the study area is today more concentrated in manufacturing and less concentrated in services than Brooklyn as a whole and, as described below, there are some significant differences among the employment profiles of the proposed action area and the primary and secondary study areas.

Figure 3-8: Composition of Employment in Greenpoint-Williamsburg Study Areas and Brooklyn: 2002



Source: Derived from NYS Department of Labor employment data, 2002 annual averages

Proposed Action Area

In recent years, there has been a steep decline in manufacturing employment in the portions of the proposed action area proposed for rezoning to residential or mixed-use. At the same time, retail and other non-manufacturing employment has increased, particularly in the retail area near Bedford Avenue in Williamsburg. A variety of mostly small light industrial and manufacturing businesses are scattered throughout the areas proposed for rezoning to mixed-use. Businesses include food manufacturing and distribution, wholesale and warehousing, construction, metalworking, and woodworking. In these areas, industrial businesses are interspersed with residential buildings and converted loft buildings, with no major clusters of industrial activity and employment. Industrial businesses are less numerous in the residential areas along Franklin Street in Greenpoint and surrounding Bedford Avenue in Williamsburg, where businesses are mostly small local retail establishments.

Industrial employment in the area between McCarren Park and Kent Avenue/Franklin Street, where the proposed action would maintain manufacturing zoning, has remained stable since 1991. The area contains a higher proportion of manufacturing firms than the areas to the north and south, and larger numbers of jobs. Businesses in this area include such activities as food manufacturing and distribution, brewing, construction, glass products manufacture, metal stamping, plastic bag manufacture, and construction.

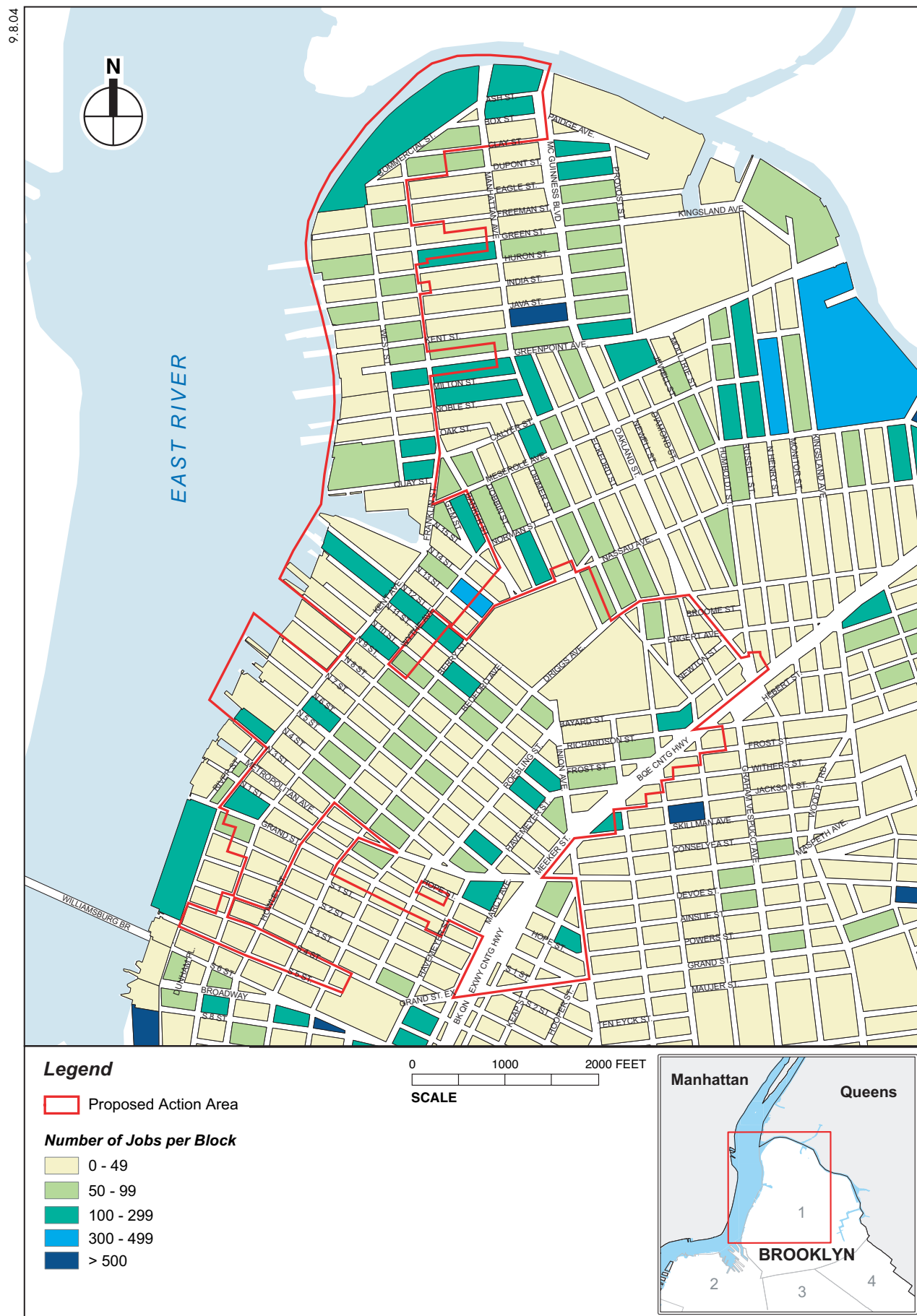
As of 2002, there were approximately 10,950 employees working in the proposed action area. The employment distribution in the proposed action area is illustrated in Figure 3-9, which is based on block-level data from the New York State Department of Labor (3rd Quarter, 2002). As shown in Table 3-4, more than a quarter of those employees (27.0 percent or 2,413 people) worked in the manufacturing sector, and almost a fifth (18.8 percent or 1,687 people) worked in construction industries. The wholesale and retail industries contained another 1,518 (17.0 percent) and 1,751 (19.6 percent) employees respectively.

From 1991 to 2002, proposed action area employment decreased by approximately 13 percent, or 1,280 jobs. By far, the most significant decrease occurred in the manufacturing sector, which lost about half of its 1991 employment base (or about 2,345 jobs) over the 11-year period. In 1991, manufacturing jobs made up about 47 percent of total employment in the proposed action area; by 2002, they constituted only 27 percent of the area's employment. This decline, though dramatic, is consistent with employment trends across the Borough of Brooklyn, where manufacturing employment decreased by about 48 percent between 1990 and 2002. As indicated above, the job losses were not evenly dispersed across the proposed action area; manufacturing in the area between McCarren Park and Kent Avenue/Franklin Street, where the proposed action would maintain manufacturing zoning, has remained stable since 1991.

TABLE 3-4
Proposed Action Area Employment: 1991 and 2002

Industry Sector	1991	2002	Percent Change
Business, Legal, Professional	622	375	-40%
Construction	1,020	1,687	65%
Educational Services	84	83	-1%
Entertainment Services	21	59	181%
FIRE	58	132	128%
Health & Social Services	90	192	113%
Manufacturing	4,760	2,413	-49%
Other Industrial	247	92	-63%
Other Services	105	75	-29%
Retail	1,114	1,751	57%
Wholesale	1,373	1,518	11%
TCPU	687	423	-38%
Unclassified	50	151	202%
TOTAL	10,231	8,951	-13%
Source: NYS Department of Labor, 1991 and 2002 annual averages			

The most significant absolute gains occurred in the retail and construction industries, which grew by 637 and 667 employees, respectively, between 1991 and 2002. Retail employment, which represented approximately 11 percent of employment in the proposed action area in 1991, now represents



approximately 20 percent of the proposed action area employment, and construction employment grew from 10 percent to 19 percent of all employment over the 11-year period. Although their absolute gains were relatively small, the entertainment services, health and social services, and FIRE industries all grew by over 100 percent between 1991 and 2002, with employment in entertainment services showing the greatest relative increase (181 percent).

Some of the proposed action area employment sectors changed not only in terms of number of jobs but also in terms of geographic location between 1991 and 2002. For example, there was a general shift in the location of construction and wholesale jobs, with both of these sectors showing a large influx of jobs in the Bushwick Creek area (the area generally bounded by Oak Street on the north, North 9th Street on the south, and Wythe Avenue on the east). From 1991 to 2002, the Bushwick Creek area gained approximately 400 jobs in the construction field and about 160 jobs in the wholesale sector. While the wholesale sector in the Greenpoint area (north of Oak Street) lost almost 200 jobs between 1991 and 2002, wholesale jobs in the Bushwick Creek area increased. Within Northside Williamsburg (the southern portion of the proposed action area, excluding the Bushwick Creek area) wholesale jobs appear to have shifted to the most northern section of that area. The construction sector, on the other hand has shown a large increase in business throughout the area, especially in the Bushwick Creek area but in the northern section of Greenpoint as well.

As shown in Table 3-5, between 1991 and 2002, the number of manufacturing and other industrial jobs has had a far less drastic decline in parts of the areas where manufacturing zoning is preserved; these areas also had a greater density of industrial jobs than other parts of the proposed action area. The areas slated for continued manufacturing zoning experienced only a 2.6 percent decrease in industrial jobs and a 16 percent drop in manufacturing jobs between 1991 and 2002, which was less than the city as a whole. This is a sharp contrast to the areas targeted for residential use, which experienced a 50 percent decrease in the number of industrial jobs and a 66 percent drop in the number of manufacturing jobs. These areas also had a much higher density of industrial jobs – 40.9 jobs per acre versus 6 jobs per acre in the areas slated for residential use.

The proposed action does not include two nearby industrial areas—the East Williamsburg In-Place Industrial Park and East Greenpoint. As shown in Table 3-6, these areas also experienced more stable industrial employment between 1991 and 2002 than the areas identified for residential rezoning. Although manufacturing jobs did drop in these areas by as much as 43 percent in East Greenpoint, total industrial employment remained stable, with a negligible loss of less than 2 percent in the IPIP and less than 1 percent in East Greenpoint.

Primary Study Area

As of 2002, there were approximately 14,254 employees working in the primary study area. Almost half of those employees (a combined 6,938) worked in the Business, Legal, Professional sector, or the Health & Social Services sector. These jobs are largely concentrated along Manhattan Avenue and Nassau Street in the northern part of the study area, and Broadway and Grand Street in the southern portion of the study area. Compared to the proposed action area, Manufacturing employment in the primary study area is low—about 1,526 employees (or 10 percent of employment) as opposed to 2,413 (or 27 percent of employment) in the proposed action area. Table 3-7 presents employment by selected industry sectors for 1991 and 2002.

TABLE 3-5
Industrial Jobs in Proposed Action Area Zones, 1991-2002

Proposed M Zones					
	1991		2002		Change 1991-2002
	Jobs	% of total	Jobs	% of total	
Industrial	2,307	90.0%	2,247	93.1%	-2.6%
Manufacturing	1,531	59.7%	1,285	53.2%	-16.1%
Non-Industrial	249	9.7%	137	5.7%	-45.0%
Unclassified	7	0.3%	30	1.2%	328.6%
Total	2,563	100.0%	2,414	100.0%	-5.8%
<i>Industrial Jobs per Acre</i>	<i>42.0</i>		<i>40.9</i>		<i>-2.6%</i>
Proposed MX Zones					
	1991		2002		Change 1991-2002
	Jobs	% of total	Jobs	% of total	
Industrial	5,375	83.3%	3,812	79.1%	-29.1%
Manufacturing	3,551	55.0%	1,226	25.4%	-65.5%
Non-Industrial	1,033	16.0%	916	19.0%	-11.3%
Unclassified	45	0.7%	90	1.9%	100.0%
Total	6,453	100.0%	4,818	100.0%	-25.3%
<i>Industrial Jobs per Acre</i>	<i>34.7</i>		<i>24.6</i>		<i>-29.1%</i>
Proposed R Zones					
	1991		2002		Change 1991-2002
	Jobs	% of total	Jobs	% of total	
Industrial	1,659	89.7%	826	57.4%	-50.2%
Manufacturing	772	41.7%	247	17.2%	-68.0%
Non-Industrial	186	10.1%	579	40.3%	211.3%
Unclassified	5	0.3%	33	2.3%	560.0%
Total	1,850	100.0%	1,438	100.0%	-22.3%
<i>Industrial Jobs per Acre</i>	<i>12</i>		<i>6</i>		<i>-50.0%</i>

Source: New York State Department of Labor ES202 data, analyzed by NYC Department of City Planning.

TABLE 3-6
Industrial Jobs in Nearby Industrial Areas, 1991-2002

EWIPI					
	1991		2002		Change
	Jobs	% of Total	Jobs	% of Total	1991-2002
Total Industrial Employment	8,353	91%	8,212	87%	-2%
Manufacturing	4,824	52%	3,775	40%	-22%
Non-Industrial Employment	791	9%	1,143	12%	45%
Unclassified	51	1%	112	1%	120%
Total	9,195		9,467		3%
Eastern Greenpoint					
	1991		2002		Change
	Jobs	% of Total	Jobs	% of Total	1991-2002
Total Industrial Employment	3,941	89%	3,920	86%	-1%
Manufacturing	1,694	38%	958	21%	-43%
Non-Industrial Employment	445	10%	580	13%	30%
Unclassified	29	1%	63	1%	117%
Total	4,415		4,563		3%

Source: New York State Department of Labor ES202 data, analyzed by NYC Department of City Planning.

Between 1991 and 2002, employment in the primary study area increased by approximately 29 percent, or about 3,215 employees. Most of this growth can be attributed to the Health and Social Services industry and the Business, Legal, Professional industry, which grew by a combined 4,710 over the 11-year period. The Construction sector also grew by about 500 jobs during the same time period and while most of that growth appears to be in the Bushwick Creek area (tract 559) there was also growth in both tracts 563 and 565 in Greenpoint, and tract 555 in Northside-Williamsburg. Like the proposed action area, the primary study area experienced the greatest loss of employment in its Manufacturing sector, which decreased by about 2,435 employees, or 61.5 percent between 1991 and 2002.

TABLE 3-7
Primary Study Area Employment: 1991 and 2002

Industry Sector	1991	2002	Percent Change
Business, Legal, Professional	685	2,424	253.9%
Construction	876	1,376	57.1%
Educational Services	30	67	123.3%
Entertainment Services	140	224	60.0%
FIRE	508	624	22.8%
Health & Social Services	1,543	4,514	192.5%
Manufacturing	3,959	1,526	-61.5%
Other Industrial	219	233	6.4%
Other Services	210	179	-14.8%
Retail	1,442	1,687	17.0%
Wholesale	1,093	867	-20.7%
TCPU ¹	279	260	-6.8%
Unclassified	56	273	387.5%
TOTAL	11,040	14,254	29.1%
Notes:			
¹ Transportation, Communications, and Public Utilities			
Sources: NYS Department of Labor, 1991 and 2002 annual averages			

Secondary Study Area

According to 2002 data, the secondary study area includes approximately 10,623 jobs—roughly 1,670 more than the proposed action area, and 3,670 less than the primary study area. The Health and Social Services and Wholesale trade sectors contain the highest proportion of the study area's employment (see Table 3-8). Health and Social Services, with approximately 2,110 employees, represents almost 20 percent of all employment in the area while Wholesale trade (1,890 employees) comprises about 19 percent of employment in the secondary study area. A majority of the wholesale trade and other industrial employment is located in the northern part of the study area, from McGuinness Boulevard east along Newtown Creek. Also located along Newtown Creek in tract 579 is the majority of the construction trade in the secondary study area. Construction employment in this tract more than doubled between 1991 and 2002, rising from approximately 300 to almost 700 employees. Non-industrial employment is clustered along Broadway, Grand Street, and Lee Avenue.

Like the rezoning and primary study areas, the secondary study area lost a large portion of its Manufacturing employment between 1991 and 2002; manufacturing employment in the area decreased from approximately 2,510 to about 1,340 (a decrease of about 47 percent) over the 11-year period. The

greatest employment increases occurred in the Health and Social Services and Educational Services sectors, which grew by about 800 and 660 employees respectively between 1991 and 2002.

Physical and Economic Conditions

According to the *CEQR Technical Manual*, it is advisable to observe the study area first-hand during peak business times, as the level of activity, condition of buildings, and presence or absence of vacant properties can all be indicators of economic conditions. Industrial properties are scattered throughout the study area, with more heavy concentrations along the East River and Newtown Creek waterfronts.

TABLE 3-8
Secondary Study Area Employment: 1991 and 2002

Industry Sector	1991	2002	Percent Change
Business, Legal, Professional	1,023	223	-78.2%
Construction	672	947	40.9%
Educational Services	693	1,355	95.5%
Entertainment Services	206	57	-72.3%
FIRE	199	404	103.0%
Health & Social Services	1,311	2,108	60.8%
Manufacturing	2,511	1,336	-46.8%
Other Industrial	172	148	-14.0%
Other Services	274	232	-15.3%
Retail	541	897	65.8%
Wholesale	1,669	1,890	13.2%
TCPU	210	340	61.9%
Unclassified	40	686	1,615.0%
TOTAL	9,521	10,623	11.6%
Sources: NYS Department of Labor, 1991 and 2002 annual averages			

Based on field observations, the amount of business activity in these areas varies significantly. Portions of the study area, such as the blocks directly west of McCarren Park and those east of McGuinness Boulevard along Newtown Creek, contain many active manufacturing and wholesale businesses. These are the areas in which manufacturing zoning will be maintained or expanded under the proposed action. In other parts of the study area, high numbers of vacant or underutilized industrial buildings and low levels of business activity were observed. As described in Chapter 1, "Project Description," most projected development sites are situated in these areas/buildings containing little economic activity.

Retail and neighborhood services are concentrated along several major corridors, including: Manhattan Avenue, Nassau Street, Bedford Avenue, Graham Avenue, Broadway, and Grand Street. Activity levels vary according to type of business and geographic area. These retail corridors feature approximately 1,045 establishments, predominantly ground floor goods and service businesses. Most of the corridors are very active, although there are some vacant storefronts. According to RPAD, these establishments cumulatively occupy over 2 million square feet of space in the study area. As shown in Table 3-9, almost a quarter of the businesses provide neighborhood services such as personal care, travel services, shoe repair, and cleaning/tailoring, and another 22 percent sell shopping goods such as apparel and furniture.

TABLE 3-9
Commercial Establishments in Greenpoint-Williamsburg Study Areas, 2003

Retail Category	Proposed Action Area		Primary Study Area		Secondary Study Area		Total	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Shopping Goods	33	18.2%	163	22.8%	38	25.7%	234	22.4%
General Merchandise Stores	0	0.0%	11	1.5%	6	4.1%	17	1.6%
Apparel and Accessory Stores	8	4.4%	51	7.1%	11	7.4%	70	6.7%
Furniture, Home Furnishings, Equipment Stores	7	3.9%	42	5.9%	10	6.8%	59	5.7%
Misc. Shopping Goods Stores	18	9.9%	59	8.3%	11	7.4%	88	8.4%
Building Materials, Hardware, Garden Supply	1	0.6%	11	1.5%	2	1.4%	14	1.3%
Auto-Related Trade	2	1.1%	2	0.3%	0	0.0%	4	0.4%
Convenience Goods	24	13.3%	151	21.1%	27	18.2%	202	19.3%
Food Stores	18	9.9%	96	13.4%	18	12.2%	132	12.6%
Misc. Convenience Goods	6	3.3%	55	7.7%	9	6.1%	70	6.7%
Eating and Drinking Places	41	22.7%	95	13.3%	21	14.2%	157	15.0%
Neighborhood Services	26	14.4%	177	24.8%	46	31.1%	249	23.9%
Vacant Storefronts	54	29.8%	116	16.2%	14	9.5%	184	17.6%
TOTAL	181	100.0%	715	100.0%	148	100.0%	1,044	100.0%
Source: AKRF ground survey, October, 2003								

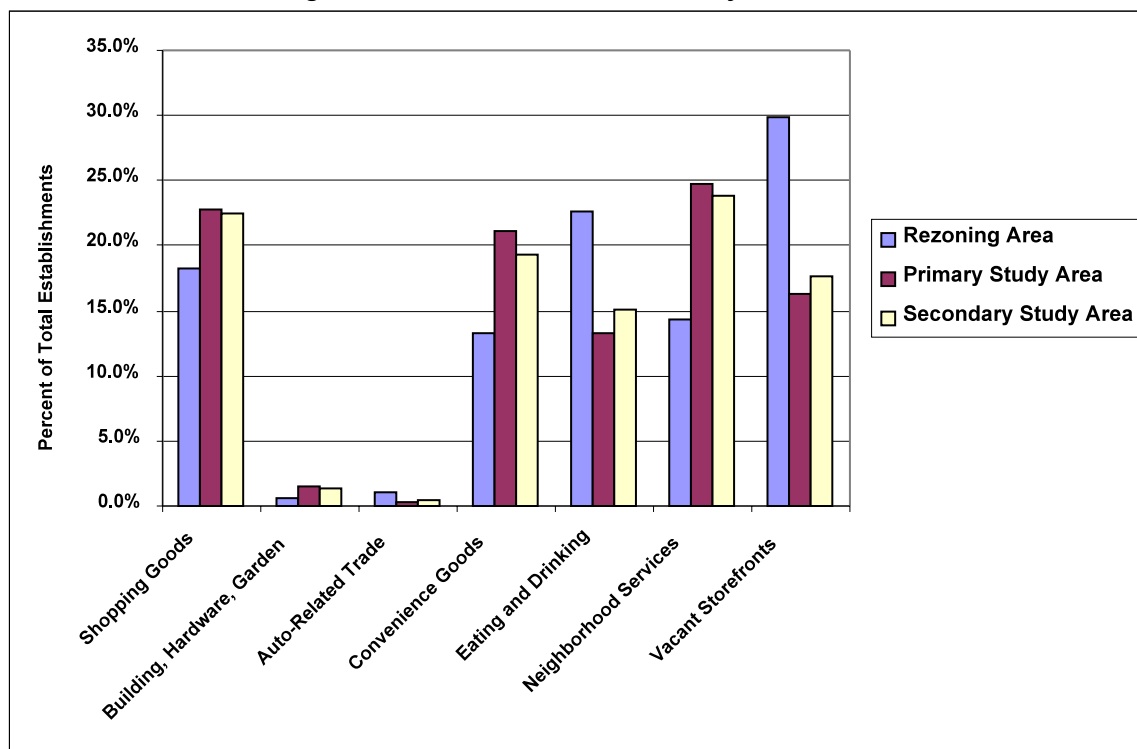
Within the proposed action area itself, there are relatively few retail or neighborhood service operations. However, the area does contain scattered commercial uses in the area south of Bedford Park, and a solid stretch of ground floor retail and services along Bedford Avenue, between North Third and North Twelfth Streets. This Bedford Avenue strip is largely dominated by restaurants and cafes, but also contains a number of apparel and miscellaneous shopping stores, as well as food stores including bakeries, meat markets, and small grocery stores.

As illustrated in Figure 3-10, the proposed action area includes a higher percentage of eating and drinking places and vacant storefronts than the primary and secondary study areas. The high percentage of vacant storefronts can be attributed to a concentration of vacant stores along the portions of Grand Street closest to the Brooklyn-Queens Expressway (BQE). Of the 54 vacant storefronts counted in the proposed action area, approximately 40 were located on Grand Street near the BQE. The high proportion of eating and drinking establishments is a result of a concentration of cafes and restaurants along Bedford Avenue.

Major commercial corridors in the primary study area include: Manhattan Avenue, Nassau Street, Graham Avenue between the BQE and Metropolitan Avenue, segments of Grand Street both east and west of the BQE, and Broadway between Driggs and Rodney Streets. These areas contain approximately 715 stores, the majority of which sell neighborhood services (25 percent), shopping goods (23 percent), or convenience goods (21 percent). In the secondary study area, commercial uses are concentrated along Grand Street between Manhattan Avenue and Bushwick Street, and Graham Avenue between Metropolitan Avenue and Maujer Street. The secondary study area contains fewer retail and neighborhood service establishments than the primary study area—approximately 150 as compared to 715—but, as illustrated in Figure 3-10, the distribution of stores is similar.

Overall, field observations indicate that commercial corridors in the study area are vibrant. Vacancies tend to be clustered in limited areas, indicating that the vacancies are due more to the undesirability of a particular spot than overall market conditions.

Figure 3-10: Retail Uses in the Study Area, 2003



Source: AKRF field survey, October 2003

Existing Conditions and Trends in Real Estate Values and Rents

As suggested in the *CEQR Technical Manual* an understanding of an area's real estate conditions and trends can help inform a preliminary analysis of the potential for indirect business displacement. Because the main indirect business displacement concern for this proposed action pertains to industrial businesses rather than office or retail firms, the information presented here is focused on the physical and market characteristics of industrial space. The information was gathered through a combination of sources, including discussions with real estate brokers in the area, commercial real estate listings in local newspapers and on the Internet, and information collected from RPAD.

As described in prior chapters of this EIS (see Chapter 2, "Land Use, Zoning, and Public Policy"), the proposed action area has a high concentration of industrial property and a low concentration of office and retail space, and much of the proposed action area's industrial space is currently vacant or underutilized. In recent years, a considerable number of underutilized industrial buildings have been converted to residential use. Based on field observations, a significant number of those that have not been converted are currently in poor physical condition; sections of building facades are crumbling, windows are cracked or missing, and yards are littered with debris. This is particularly true in the proposed action area itself, indicating that little investment has been made in the area's industrial properties in recent years.

Almost all of the waterfront property in the proposed action area consists of vacant and underutilized industrial land and buildings. Industrial properties extend two-three blocks inland along some portions of the East River, and up to eight blocks inland from Newtown Creek. The largest lots tend to be located on the waterfront; these lots range in size from approximately 70,000 sf to 300,000 sf. In general,

buildings on waterfront lots range from approximately 50,000 sf to 120,000 sf and are from one to six stories high.

According to Greiner-Maltz, a local real estate brokerage and market research firm, in 2002 there were over 5.5 million square feet (msf) of vacant industrial space and approximately 894,000 sf of vacant industrial land available for lease or for sale within the Greenpoint area alone. As shown in Table 3-10, other areas in Brooklyn and surrounding the Greenpoint-Williamsburg study area (including Maspeth, East New York, and Bushwick) also contain large amounts of industrial building space and vacant industrial land, such that as of 2002, an estimated total of approximately 7.8 msf of industrial building space and 2.0 msf of industrial land is available.

TABLE 3-10
Vacant Industrial Land and Vacant
Businesses Available for Lease and for Sale

Zip Code	Location	Unimproved Land			Existing Buildings		
		Total Industrial Land (sq. ft.)	Percent Vacant	Vacant Industrial Land (sq. ft.)	Total Industrial Building (sq. ft.)	Percent Vacant	Total Vacant Building (sq. ft.)
11378	Maspeth	20,463,292	3.5	716,215	22,239,185	7.0	1,556,743
11207	East NY	4,226,947	6.2	262,071	6,825,014	4.3	290,063
11222	Greenpoint	10,518,428	8.5	894,066	26,977,548	20.7	5,584,352
11237	Bushwick	5,644,766	2.5	141,119	7,777,597	4.5	349,992
Total		40,853,433		2,013,472	63,819,344		7,781,150

Source: Greiner-Maltz, 2002

Proposed Action Area

Approximately 550 lots (including approximately 8.3 msf of lot area and 10.1 msf of building space) in the proposed action area are classified as industrial land use. The vast majority of industrial buildings are 1-2 stories, and the average square footage per building is about 18,700 sf. The median square footage (7,500 sf) is considerably less.⁸ In general, the industrial building stock is old. About 60 percent of all industrial use buildings were constructed between 1900 and 1949, and another 25 percent, between 1950 and 1969. Only 2.5 percent were constructed after 1990.

According to Greiner-Maltz, the industrial real estate market in the proposed action area has been relatively static for the past two-three years. Very few properties are on the market, and industrial properties that one year ago sold for around \$100 psf are now selling for between \$200-\$225 psf.⁹ However, while the reported vacancy rate for industrial property in the proposed action area is under 5 percent, it is apparent from field observations that many of the industrial buildings are vacant. According to Greiner-Maltz, this is due to the prevalence of “shadow space,” i.e., space that is currently unused, but not on the market, and therefore not factored into the vacancy rate. This is likely a temporary condition that would change if the proposed action is approved, since landowners would then have a greater economic incentive to sell their industrial space.

⁸ Gross square footage estimates for proposed action area, primary study area and secondary study area were derived from information extracted from LotInfo 2003.

⁹ Telephone conversation with Greiner-Maltz real estate firm. 9/16/03.

According to Greiner-Maltz, rental rates for larger buildings (15-20,000 sf) are approximately \$10 psf. Smaller industrial buildings tend to be rented by light industrial users and/or artists, and generally rent for \$13 - \$14 psf. Industrial real estate brokerage firm Shalom & Zuckerbrot confirms this estimate, indicating that industrial spaces in Greenpoint and Williamsburg that were renting for \$6 - \$8 psf several years ago are now renting for \$12 - \$14 psf.¹⁰

The wide range of asking rents for industrial buildings in Greenpoint and Williamsburg could indicate a wide variety of quality and usefulness of different types of buildings in the study areas. For example, some industrial buildings may command lower rents because they are either in poor physical condition or have a configuration that is either obsolete or unappealing to the needs of existing industrial businesses.

Primary Study Area

Approximately 330 lots (including approximately 3.6 msf of lot area and 4.3 msf of building space) in the primary study area are classified as industrial land use. Both the average and median square foot per lot for the study area are lower than in the proposed action area—with an average building square footage of 12,500 and a median of 5,000. Over 80 percent of the industrial buildings in the study area were built before 1950.

Like the proposed action area, the primary study area has seen little building turnover since the rezoning plans became public knowledge. Though asking prices for industrial buildings are lower in the primary study area than they are in the proposed action area, they are still high – approximately \$150 psf.¹¹ Information on rental rates in the primary study area is not available.

Secondary Study Area

Approximately 350 lots in the secondary study area are currently hosting industrial land uses. Industrial building space totals roughly 6.6 mfs (and lot area, about 7.0 msf), and the average building is approximately 18,900 sf—larger than the average for both the proposed action area and the primary study area. The median size for industrial buildings in the secondary study area is 8,200 sf, again, higher than it is in the other two study areas. Over 75 percent of the industrial buildings in the secondary study area were built before 1950.

Information on rental rates and sale prices in the secondary study area is not available.

East Williamsburg in Place Industrial Park

The East Williamsburg In Place Industrial Park (IPIP) is a City designated industrial park located south of the BQE, and east of Bushwick Avenue. As shown in Figure 3-1, the western portion of the park extends into the secondary study area, with a small portion (4-6 blocks) reaching into the primary study area. The IPIP occupies 650 acres of land, covering 150 City blocks. It is bounded by the BQE on the north, Bushwick Avenue on the west, Flushing Avenue on the south and Newtown Creek on the east. East Williamsburg has businesses in a variety of industries, including metal finishing and fabrication, food processing and distribution, electrical components, garment, woodworking, printing, and wholesale distribution and warehousing. According to the New York City Small Business Resource Center, there are roughly 500 small- to medium-size companies located in the IPIP, employing over 15,000 people.

¹⁰ Telephone conversation with Shalom & Zuckerbrot real estate firm. 6/25/04.

¹¹ Telephone conversation with Greiner-Maltz real estate firm. 9/16/03.

Rents are approximately \$6.00 to \$8.00 per square foot and buildings range from 1,000 to 125,000 square feet.¹²

Zoning and Other Regulatory Controls

According to the *CEQR Technical Manual*, information on zoning and public policy can be useful in determining whether there exist certain areas that would be susceptible to indirect business displacement pressures. Chapter 2, “Land Use, Zoning, and Public Policy,” describes the existing zoning and public policies affecting the study area, along with any changes anticipated for the future. As described previously, large clusters of active industrial businesses, such as the cluster located in the area between McCarren Park and Kent Avenue/Franklin Street, will continue to be zoned for manufacturing use in the future with the proposed action.

Presence of Categories of Vulnerable Businesses/Institutions or Employment

According to the *CEQR Technical Manual*, it may be possible to identify categories of businesses, institutions, and types of employment in the area that are vulnerable to significant changes in real estate market conditions. The rezoning can be expected to result in a continuation, and perhaps enhancement of the trend of rising rents in those areas where residences would be permitted as-of-right. Thus the businesses that would be most vulnerable to displacement pressures would be those in these portions of the proposed action area that would not benefit from the increased population and consumer spending – i.e. the industrial businesses whose customers are not located in the neighborhood. However, since manufacturing and other industrial employment in Greenpoint and Williamsburg has been decreasing for some time now (falling by almost 50 percent between 1991 and 2002) and rental rates for industrial space in the study area have increased over the past several years (due largely to increased housing demand that makes it desirable for industrial building owners to convert space for residential use) this would be a continuation of an existing trend and would not be expected to be significantly different in the future with the action, compared with the future without the action. Moreover, as described above, the proposed action would not only create new residential zoning. It would also preserve approximately 19 blocks of the study area for light manufacturing (a change of zone from M3-1 to M1-2) and designate areas of mixed-use zoning that would allow for industrial, residential, and commercial uses. The intent of these zoning changes is to create a more rational zoning framework that would help protect high performance manufacturing activities, as well as encourage continued residential development. In the areas where manufacturing zoning would be preserved, the density of industrial jobs is much higher than areas targeted for residential and the decline of industrial jobs in these areas has been far less. Thus, the proposed action could actually serve to guard the manufacturing sector from further business and employment losses.

Land use and Transportation Service

According to the *CEQR Technical Manual*, observation of land uses and the street and transit systems in the area can reveal the relationships among the businesses and institutions in the area and other uses and systems that support them. An example listed in the manual is as follows: An action would result in development of a mixed-use, market-rate residential and retail project that can be expected to provide impetus for raising rents in the area. Observations reveal a sizable concentration of industrial buildings that are large enough for office use. However, if those buildings are not convenient to a subway, and the surrounding area does not offer the opportunity for development of support uses, there may not be a market for the space at the higher rent levels associated with office use.

¹² New York City Small Business Resource Center:

http://www2.nycl.org/smallbiz/programs/keywordresults_static.cfm?r_id=329&prog=searching)

The adequacy of public transportation in the study area varies from north to south. The Williamsburg portion of the study area is served by both the G and L subway trains, while the Greenpoint neighborhood is served only by the G subway, which is approximately ½ mile south of the neighborhood's northern tip. Nevertheless, increased residential conversions across the study area in recent years are evidence that transportation limitations have not served as a significant barrier to residential development. In the future With-Action scenario, residential development would continue to spread through the study area, and would be focused on projected development sites. However, as discussed above, the proposed action would provide new areas for mixed-use development and light industrial uses as well as residential growth, providing a more logical zoning framework and thereby helping to protect the remaining manufacturing and other light industrial uses in the study area.

Adverse Effects on Specific Industries

According to the *CEQR Technical Manual*, a significant adverse impact may occur if an action would measurably diminish the viability of a specific industry that has substantial economic value to the City's economy. An example as cited in the *CEQR Technical Manual* would be new regulations that prohibit or restrict the use of certain processes that are critical to certain industries.

This preliminary analysis is based on the screening criteria (in italics, below) presented in section 323 of the *CEQR Technical Manual*. According the manual, a proposed action may have a significant adverse impact on specific industries if:

The action significantly affects business conditions in any industry or category of business within or outside of the study area.

As described above, the businesses subject to direct displacement vary in type and size, and are not concentrated in any particular industry. Based on field observations and employment data, the 9 manufacturing firms that may be displaced produce a variety of goods, including household furnishings, clothing and accessories, and paper products; the 21 wholesale firms handle goods such as perishable food items, wine and beer, clothing, home furnishings, and fabrics and notions; and the 14 business, legal, professional, and FIRE firms provide services such as accounting, security systems, data retrieval and building operations.

Furthermore, none of the businesses subject to displacement are essential to the survival of other industries outside of the study area. They do not, for example, serve as the sole provider of goods and services to an entire industry or category of business in the city.

Because the goods and services provided by businesses subject to displacement are so diverse and none of these businesses provide inputs that are crucial to the survival of some particular class of business, the proposed action would not have a significant adverse impact on any specific industry within or outside of the study area.

The action indirectly substantially reduces employment or impairs the economic viability in the industry or category of business.

As stated above, no particular industry would be affected by the proposed action. Combined, the 580 employees subject to direct displacement represent approximately 1.7 percent of the jobs in the Greenpoint-Williamsburg study area.

D. DETAILED ANALYSIS: INDIRECT RESIDENTIAL DISPLACEMENT

The possibility that the proposed action could cause significant indirect residential displacement impacts could not be ruled out through the preliminary assessment presented above. Therefore, a detailed analysis is necessary. According to section 332.1 of the *CEQR Technical Manual*, the approach to a detailed assessment of indirect residential displacement is similar to that of the preliminary assessment but requires more in-depth analysis of Census information and can include field surveys and interviews. The objective of the analysis is to characterize existing conditions of residents and housing in order to identify populations that may be vulnerable to displacement (“populations at risk”), to assess current and future socioeconomic trends in the area that may affect these populations, and to examine the potential effects of the proposed action on prevailing socioeconomic trends and, thus, its impact on the identified populations at risk.

In accordance with CEQR guidelines, this analysis is divided into three sections: existing conditions, including detailed population and housing characteristics, future No-Action conditions, and future With-Action conditions, including a determination about whether the proposed action would cause significant indirect residential displacement impacts.

As explained in the Data Sources and Methodology section of this chapter, the study area boundaries do not match the boundaries of U.S. Census tracts. Therefore, for the proposed action area, Census data was gathered at the block-level. Blocks that straddle the proposed action area boundary were included or excluded in the proposed action area calculations depending on what proportion of the block fell within the proposed action area (i.e., blocks with more than 50 percent of the block area within the proposed action area were included). The primary study area includes the remaining blocks within Census tracts that straddle the proposed action area/primary study area boundary, as well as Census tracts in their entirety that have at least 50 percent of their area within the outer boundary of the primary study area. The secondary study area captures all tracts with more than 50 percent of their area within the secondary study area. Figure 3-2 and Appendix A display the blocks and Census tracts that were included in each of the study areas.

Existing Conditions

This section describes the population and housing characteristics of the three study areas, presents trend data since 1989, and compares study area characteristics to the Borough and City as a whole. As described below, the characteristics of the proposed action area differ from those of Brooklyn and New York City in several ways. For example, the median household income in the proposed action area is approximately 8.4 percent higher than the median household income for Brooklyn as a whole. The median household income in Brooklyn decreased in real terms by 7.7 percent between 1989 and 1999, while the proposed action area experienced an 8.4 percent increase in median household income between 1989 and 1999. Trends in proposed action area rental rates also differ from those in Brooklyn as a whole. Between 1989 and 1999, proposed action area rents increased by approximately 43 percent, compared to a 10 percent increase in the Borough of Brooklyn.

While incomes, home values, and rents have been rising in the proposed action area, residential activity has begun to spread beyond the traditional boundaries of the Greenpoint/Williamsburg neighborhoods. In particular, there has been substantial conversion of loft buildings to residential use (see Chapter 1, “Project Description,” and also Chapter 2, “Land Use, Zoning, and Public Policy”), indicating a strong demand for new housing. An analysis conducted by DCP has found that over 100 industrial buildings in

the proposed action area already contain residential use. In addition to the loft conversion activity, there has been residential development and conversion activity in recent years within those portions of Williamsburg and surrounding areas where existing zoning allows residential development as-of-right. In Greenpoint, in addition to loft conversion activity, there has been new residential construction activity in recent years within the Franklin Street Special Mixed Use district, as well as in nearby residential districts.

Population

According to the 2000 Census, the combined population of the three study areas is approximately 127,450 people. As shown in Table 3-11, the study area's population increased by 4.8 percent from 1990 to 2000—growing at a slower rate than the Borough of Brooklyn, which saw a population increase of 7.2 percent over the decade, and the City as a whole, which grew by 9.4 percent over the same period. Only the proposed action area population increased at a rate close to the borough average; however, the absolute increase was small since the population of the proposed action area is relatively small (16,525 persons in 1990), given that it is primarily industrial zoning.

TABLE 3-11
Population, 1990 and 2000

Area	Total Population		Absolute Change 1990 to 2000	Percentage Change 1990 to 2000
	1990	2000		
Proposed Action Area	16,525	17,738	1,192	7.3
Primary Study Area	59,266	62,114	2,574	4.8
Secondary Study Area	45,410	47,598	1,996	4.8
Area Total	121,201	127,450	5,672	5.2
Brooklyn	2,300,664	2,465,326	164,662	7.2
New York City	7,322,564	8,008,278	685,714	9.4
Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1				

As the population of the study area has grown, its age distribution has shifted downward, yielding a population that is generally younger (according to 2000 Census data) than it was in 1990. Table 3-12 shows the percent of the total population falling into each age bracket in 1990 and 2000. As shown in the table, the proportion of the population that might be considered to be the “young workforce” (ages 18 to 29) increased by approximately three percentage points between 1990 and 2000, from 19.3 percent in 1990 to 22.1 in 2000. This trend was most pronounced in the proposed action area, where the “young workforce” population increased from 20.2 percent in 1990 to 25.9 percent in 2000.

TABLE 3-12
Age Distribution as Percent of Total Population, 1990 and 2000

Age	1990 (percent of total population)								2000 (percent of total population)							
	0-17	18-24	25-29	30-34	35-39	40-49	50-59	60+	0-17	18-24	25-29	30-34	35-39	40-49	50-59	60+
Proposed Action Area	19.3	10.0	10.2	10.1	9.1	14.1	9.8	17.4	15.6	11.7	14.2	12.6	9.1	14.3	9.4	13.1
Primary Study Area	25.0	10.8	9.0	9.2	8.3	12.7	9.4	15.6	23.5	11.9	10.4	8.7	7.6	13.9	9.8	14.2
Secondary Study Area	36.8	10.7	7.6	7.7	7.0	9.7	6.6	13.8	36.6	12.6	8.0	6.0	5.6	11.4	7.6	12.2
Total	28.6	10.6	8.7	8.8	7.9	11.8	8.5	15.2	27.3	12.1	10.0	8.2	7.1	13.0	8.9	13.3
Source: U.S. Bureau of the Census, 1990 and 2000 Census: 1990 Summary File 1B and 2000 Summary File 1.																

Proposed Action Area: Population

The 2000 Census counted approximately 17,738 people in the proposed action area. The population grew by 7.3 percent between 1990 and 2000—similar to the 7.2 percent population increase that occurred across the Borough over that decade. Though the proposed action area’s relative growth of 7.3 percent was higher than the primary and secondary study area growth (4.8 percent each), the area gained fewer residents in absolute terms—1,213 as compared to 2,188 in the secondary study area and 2,848 in the primary study area.

Based on New York City Department of Finance Real Property Assessment Data (RPAD) and final certificate of occupancy data from the New York City Department of City Planning, approximately 124 housing units were added to the proposed action area between the 2000 Census and September, 2003. (This figure does not include any new residential units that have been illegally created in buildings zoned for non-residential use.) Assuming an average household size of 2.27 per household (the average for households within the rezoning and primary study areas that earn more than 133% of the citywide median household income), and that the vacancy rate has remained at 5.4 percent (see Households and Income section below), these new units would result in a population increase of approximately 266 people, bringing the total current population to approximately 18,004.¹³

Primary Study Area: Population

According to the 2000 Census, approximately 62,114 people reside in the primary study area. Between 1990 and 2000, the area’s population grew by approximately 2,848 persons or 4.8 percent—a modest increase when compared to the 7.2 percent increase that occurred in Brooklyn and the 9.2 percent increase experienced in the City over that time period.

The primary study area has gained approximately 466 housing units since the 2000 Census, not including new residential units that have been illegally created in buildings zoned for non-residential use. Assuming an average household size of 2.27 persons per household and that the vacancy rate has remained at 4.6 percent (see Households and Income section below), these new units have led to a population increase of approximately 1,009 people, bringing the total current population to approximately 63,123.

Secondary Study Area: Population

The 2000 Census reported approximately 47,598 people in the secondary study area. From 1990 to 2000, the area’s population grew by approximately 2,188 people, an increase of 4.8 percent.

Approximately 121 housing units are known to have been added to the secondary study area since the 2000 Census, not including new residential units that have been illegally created in buildings zoned for non-residential use. Assuming a 5.2 percent vacancy rate and an average household size of 2.27 persons per household, the secondary study area population has increased by approximately 260 since the 2000 Census, bringing the total population to 47,858.

¹³ The 2003 population estimates presented in this chapter are slightly lower than those presented in other sections of the document. This is due to the fact that this chapter applies current vacancy rates to new housing units, while other chapters assume that new units are fully occupied.

Occupation Characteristics

Census data on occupation by Census tract provide some insight into the socioeconomic character of a neighborhood. Unlike New York State Department of Labor data which describe employment as characterized by the firms located there, Census data describe the occupations of the residents living in a neighborhood. This provides a more accurate portrait of the economic status of the residents living in the proposed action area, which may be different than the status of those working there.

Proposed Action Area: Occupation Characteristics

The occupational characteristics of the proposed action area population have changed substantially over time, according to the 1990 and 2000 Censuses.¹⁴ As shown in Table 3-13, the data reveal a general shift toward higher-status occupations, such as management, legal or entertainment jobs, and away from jobs that typically require less education and provide less pay, such as administrative, production, or transportation jobs. Management and professional jobs increased substantially, along with art, design, entertainment, sports & media related jobs. In contrast, transportation and production occupations dropped by more than half between 1990 and 2000. Based on these data and the previous data on age characteristics, the proposed action area has become characterized increasingly by young artists and professionals.

TABLE 3-13
Occupational Changes, Proposed Action Area, 1990-2000

Occupation	1990	2000	Percent Change
Management and Professional	1,775	4,681	164%
Arts, Design, Entertainment ⁽¹⁾	130	1,752	1,244%
Legal	58	120	106%
Services	1,732	1,954	13%
Sales and Office	2,871	2,426	-16%
Administrative Support	2,805	1,588	-24%
Production, Transportation, and Material Moving	2,604	1,283	-51%
Production	1,903	705	-63.0%
Transportation	701	578	-17.5%
Notes:			
⁽¹⁾ Full occupational category title is "Arts, Design, Entertainment, Sports, and Media Occupations."			
Source: 1990 and 2000 Census			

Primary Study Area: Occupation Characteristics

As shown in Table 3-14, occupation trends for residents in the primary study area are less clear. There were steep declines in the number of residents employed in both production and transportation occupations, as well as a decrease in professional occupations. The number of residents employed in the arts and entertainment sector increased along with the number of construction trade workers. The primary

¹⁴ It should be noted that 1990 Census occupation categories are not consistent with 2000 categories. Values for 1990 occupations are established by using 1990 categories adjusted for 2000 categories (the Census Bureau has promulgated a methodology for making such a comparison). This methodology results in an estimate of comparable 1990 data, based on national percentages for occupational categories. The data, which are based on estimates, should be used to gauge general trends in conjunction with other socioeconomic indicators.

study area data indicate an influx of persons in arts-related occupations, but not yet the substantial influx in the higher-paying management, professional and service occupations that characterize the proposed action area. In many areas of the city that have experienced socioeconomic change from a lower-income to a higher-income population, people in art-related occupations have played a pioneering role, later attracting a higher-income population in non-arts-related managerial, professional and service occupations, attracted by the area's arts and cultural resources.

TABLE 3-14
Occupational Changes, Primary Study Area, 1990-2000

	1990	2000	Percent Change
Management and Professional	4,459	4,026	-9.7%
<i>Arts, Design, Entertainment⁽¹⁾</i>	270	962	256.0%
Services	4,042	3,577	-11.5%
<i>Buildings & Grounds Maintenance</i>	950	1,365	43.7%
Sales and Office	6,490	3,831	-41.0%
<i>Administrative Support</i>	4,741	5,569	-45.8%
Production, Transportation, and Material Moving	5,068	1,853	-63.4%
<i>Production</i>	3,256	943	-71.0%
<i>Transportation</i>	1,812	910	-49.8%
Construction, Extraction, and Maintenance	2,320	2,222	-4%
<i>Construction Trade</i>	1,273	1,774	39.4%
Notes: ⁽¹⁾ Full occupational category title is "Arts, Design, Entertainment, Sports, and Media Occupations." Source: 1990 and 2000 Census			

Secondary Study Area: Occupation Characteristics

The secondary study area experienced the steepest job losses in production, transportation, and material moving jobs. Increases in jobs mirrored trends in the proposed action area, with gains in management and professional occupations and a large increase in arts-related occupations.

TABLE 3-15
Occupational Changes, Secondary Study Area, 1990-2000

	1990	2000	Percent Change
Management and Professional	2,990	3,710	24.1%
<i>Arts, Design, Entertainment⁽¹⁾</i>	196	440	124.7%
Services	2,291	2,458	7.3%
<i>Buildings & Grounds Maintenance</i>	514	865	68.4%
Sales and Office	4,542	3,876	-14.7%
<i>Administrative Support</i>	3,093	2,345	-24.2%
Production, Transportation, and Material Moving	2,669	1,644	-38.4%
<i>Production</i>	1,627	902	-44.5%
<i>Transportation</i>	1,042	742	-28.8%
Construction, Extraction, and Maintenance	1,230	1,307	6.2%
<i>Construction Trade</i>	672	922	37.3%
Notes: ⁽¹⁾ Full occupational category title is "Arts, Design, Entertainment, Sports, and Media Occupations." Source: 1990 and 2000 Census			

Households and Income

According to the 2000 Census, the study area contains a total of approximately 45,523 households. The average household size for the area is the same as the average household size for Brooklyn—2.8 persons per household—and slightly higher than the 2.6 average across the City.

Income characteristics for the study area population are described below using three measures: median household income, average household income, and poverty rate. The median household income represents the mid-point of all household incomes in a study area. The average household income is calculated by dividing aggregate income by the total number of households in a study area. The presence of high income households will raise the average income, sometimes substantially higher than the median or mid-point of household incomes in a study area. As shown in Table 3-17, the average household incomes are considerably higher than the medians for each of the three study areas (25-47 percent higher), indicating that each study area contains a population that is earning significantly more than the median household income. As discussed later in this chapter under the “vulnerable population” discussion, many of these wealthier households are living in small (1-4 units) buildings. This is evidenced by data showing that average incomes for households in small buildings are significantly higher than average incomes for households in large buildings.

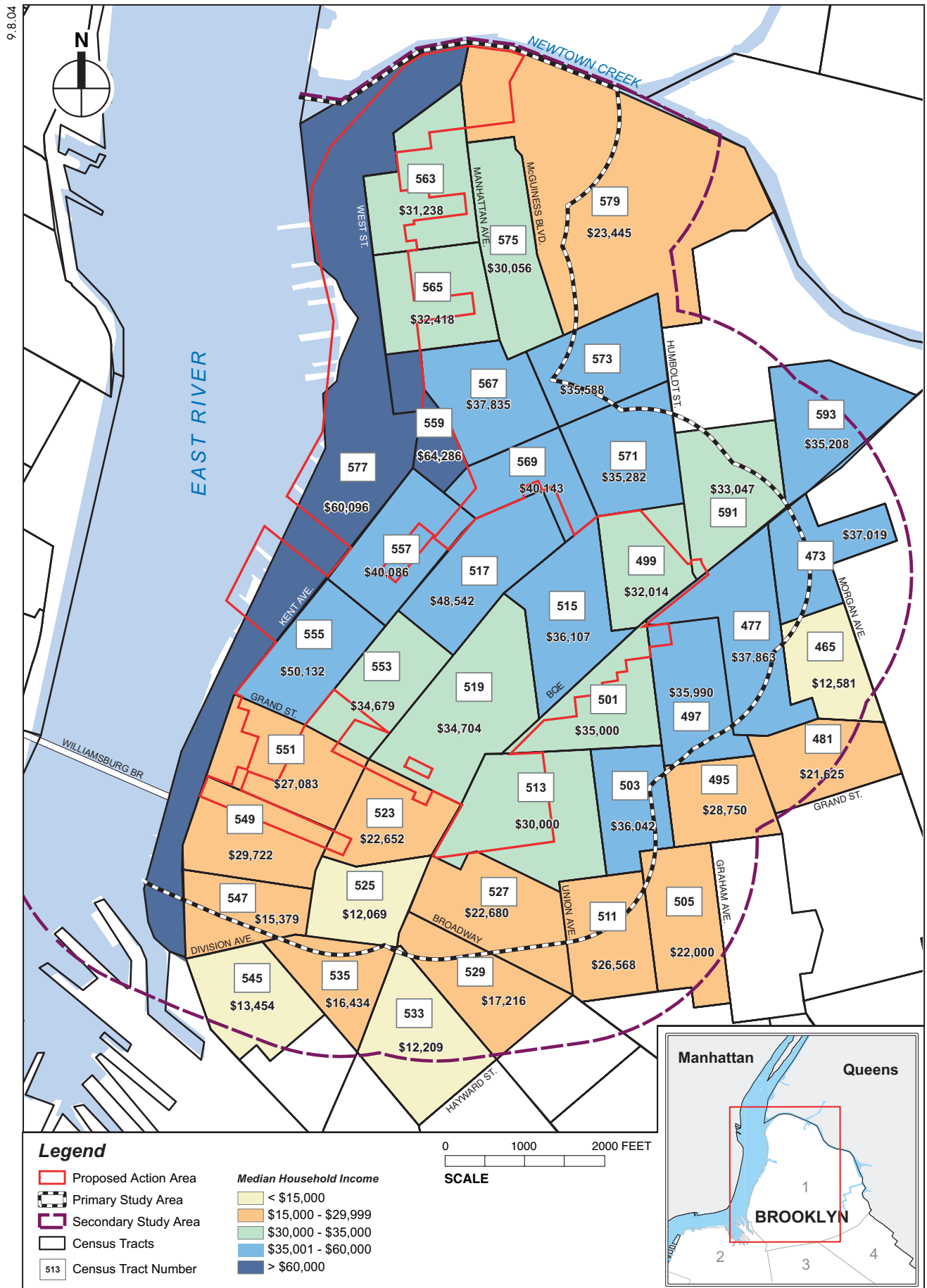
As discussed below and shown in Figures 3-11 through 3-13, there is considerable variation in income and poverty across the three study areas, with the proposed action area containing higher income households than the primary and secondary study areas. As a whole, however, the Greenpoint-Williamsburg study area is characterized by median and average household incomes that are lower than the medians and averages for Brooklyn and New York. The area’s median household income (\$27,466) is approximately 17 percent lower than the median for Brooklyn (\$32,135) and roughly 39 percent lower than the median for New York City (\$38,293). The study area’s average household income (\$37,057) is approximately 25 percent lower than the Brooklyn average (\$46,292) and less than half of the New York City average (\$88,158).¹⁵ The poverty rate for the study area is high, with 32.8 percent of the population living below the poverty level. Table 3-16 includes household characteristics and Tables 3-17 and 3-18 present income characteristics for each of the three study areas.

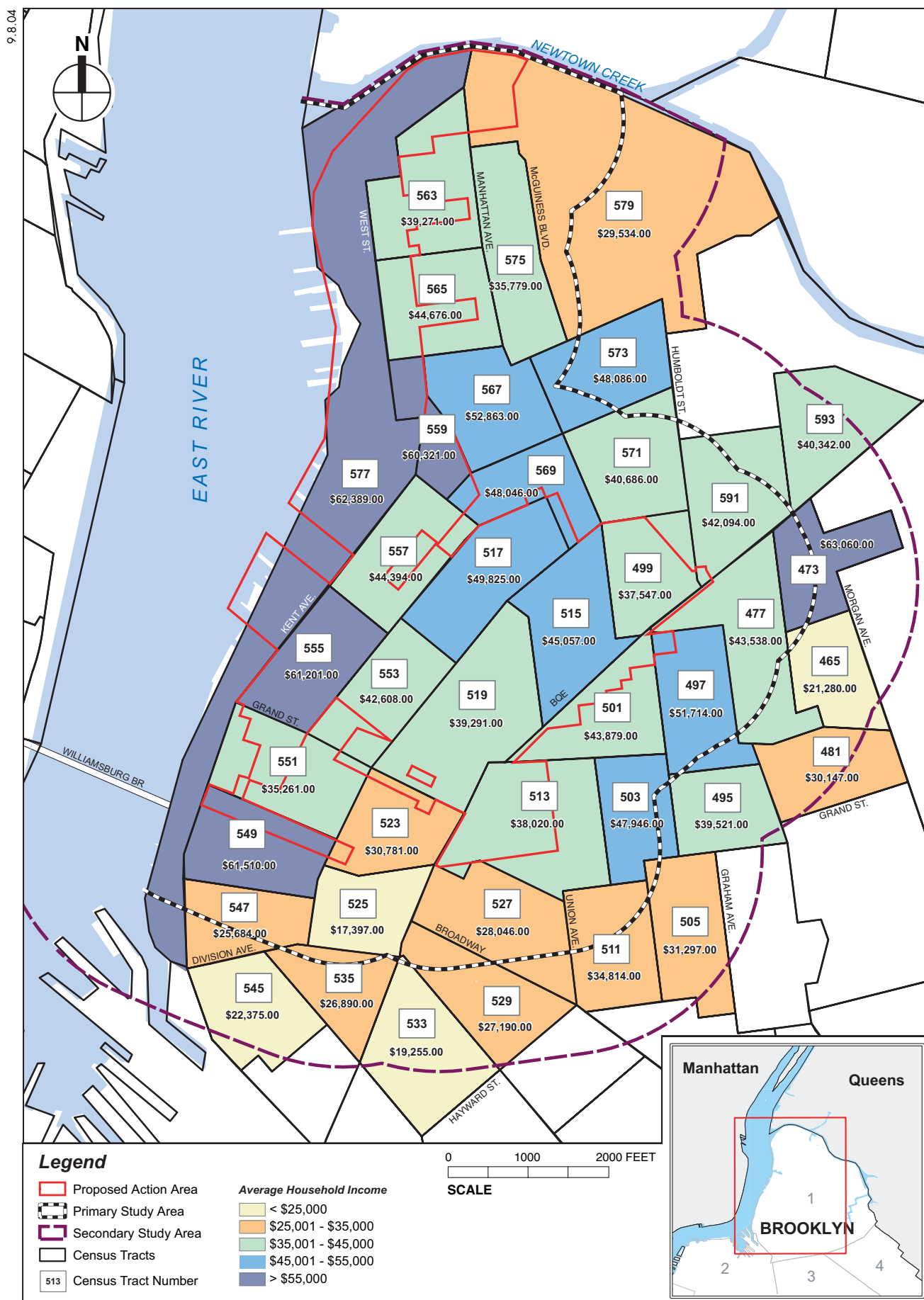
Proposed Action Area: Households and Income

According to the 2000 Census, there are approximately 7,911 households in the proposed action area, and the average household size is 2.2 persons. The median household income increased by 8.3 percent in constant dollar terms between 1989 and 1999 (from \$32,140 to \$34,850) so that in 1999, it was higher than the median for Brooklyn (\$32,135), but still lower than the median for New York City (\$38,293). In comparison, the median household incomes for Brooklyn and New York City decreased by 7.7 percent and 5.5 percent, respectively, between 1989 and 1999. The average household income in the proposed action area also increased in constant dollar terms between 1989 and 1999—by 12.3 percent over the ten year period and is roughly equal to the average household income in Brooklyn as a whole. This rate of increase was markedly higher than the one experienced in Brooklyn as a whole (0.6 percent) and almost equal to the City-wide rate (13.9 percent).

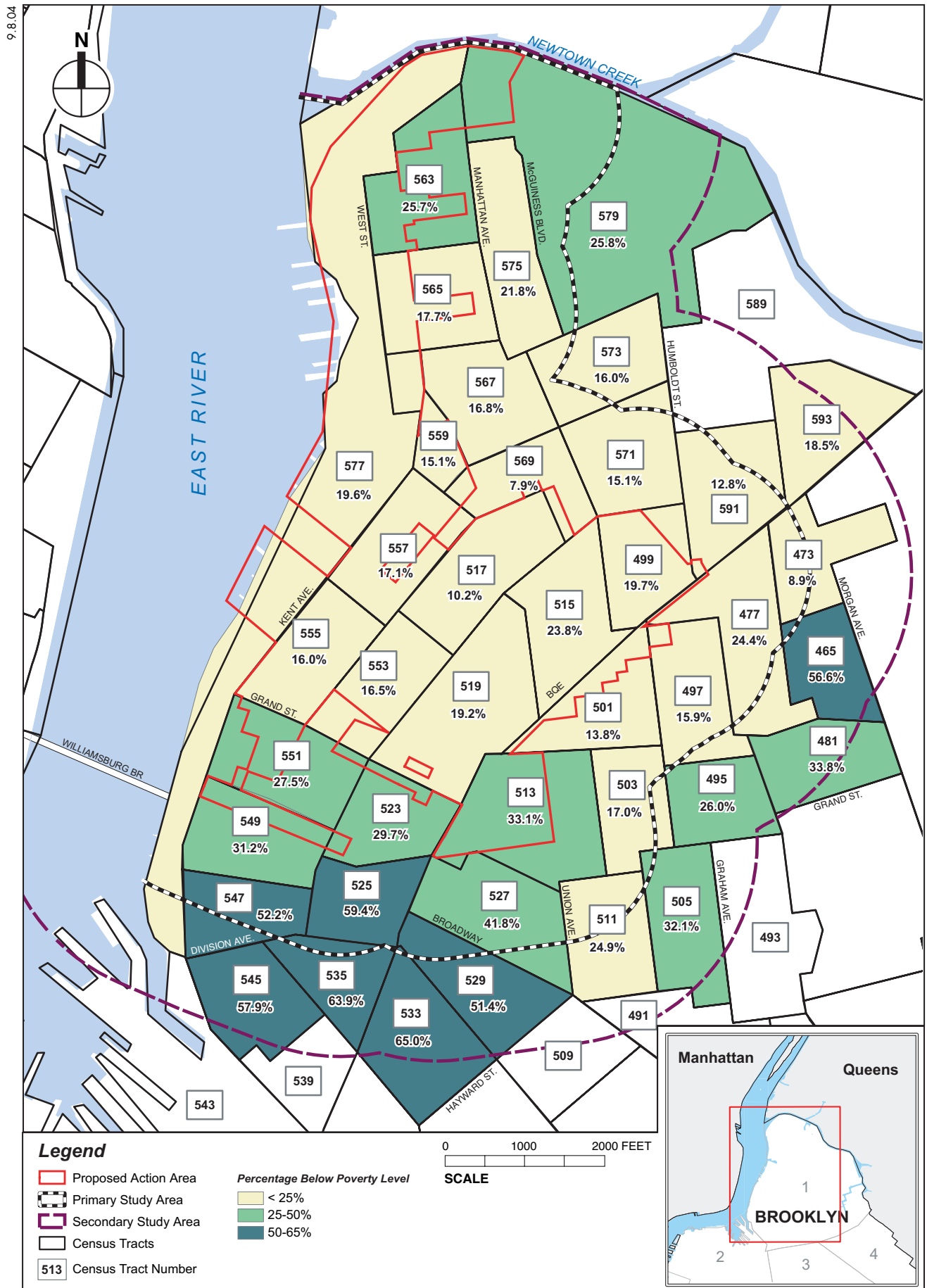
The poverty level in the proposed action area decreased from 23.6 percent to 20.2 percent between 1989 and 1999. As of the 2000 Census, the poverty rate in the proposed action area was lower than the poverty

¹⁵ The average household size and median income figures represent a weighted average of the median incomes of all Census Tracts of Block Groups in each study area.





Percent of Population Below Poverty Level, 1999



rate for the primary and secondary study areas (27.3 percent and 44.7 percent respectively) and for Brooklyn and New York (25.1 percent and 20.8 percent, respectively).

Primary Study Area: Households and Income

The primary study area contains approximately 23,108 households—an increase of 7.2 percent over 1990. The median and average household incomes in the area decreased slightly over the decade, from a median of \$29,734 in 1989 to \$29,502 in 1999 and an average of \$39,452 in 1989 to \$38,916 in 1999. At the same time, however, the poverty rate decreased, from 28.4 percent to 27.3 percent. As illustrated in Figures 3-11 and 3-12, Census tracts in the southern portion of the primary study area generally have lower median household incomes and higher poverty rates than those located in the northern and eastern portions of the study area.

TABLE 3-16
Household Characteristics

Area	Total Households			Average Household Size	
	1990	2000	% Change	1990	2000
Proposed Action Area	6,730	7,911	17.6%	N/A	2.2
Primary Study Area	21,565	23,108	7.2%	N/A	2.7
Secondary Study Area	13,891	14,504	4.4%	N/A	3.2
Study Area Total	42,186	45,523	7.9%	N/A	2.8
Brooklyn	828,199	880,727	6.3%	N/A	2.8
New York City	2,816,274	3,021,588	7.3%	2.54	2.6

Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.

TABLE 3-17
Household Income

Area	Median Income ^{1, 2}			Average Income		
	1989	1999	% Change	1989	1999	% Change
Proposed Action Area	\$32,140	\$34,850	8.4%	\$38,741	\$43,516	12.3%
Primary Study Area	\$29,734	\$29,502	-0.8%	\$39,452	\$38,916	-1.4%
Secondary Study Area	\$21,893	\$20,699	-5.5%	\$31,543	\$30,646	-2.8%
Study Area Total	\$27,466	\$27,518	0.2%	\$36,547	\$37,057	1.4%
Brooklyn	\$35,827	\$32,135	-10.3%	\$45,995	\$46,292	0.6%
New York City	\$40,419	\$38,293	-5.2%	\$77,406	\$88,158	13.9%

Notes:

1 Several Census tracts in the study area are split by the proposed action area boundary. Because sample count data (SF3 data) including data on median household income and poverty are not available for blocks, values for tracts split by proposed action area boundaries were calculated using a combination of tract-level data from SF3 and block-level data from SF1. For each of these tracts, the geographic distribution of total households and population was computed using 2000 block-level data, in effect creating a sort of "pseudo-tract." The median household income and number of persons below poverty were calculated based on the distribution of incomes and poverty in these "pseudo-tracts."

2 All 1989 values were converted to 1999 constant dollars using the US Department of Labor's Consumer Price Index for the "New York-Northern New Jersey-Long Island" area.

Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.

Secondary Study Area: Households and Income

There are approximately 14,504 households in the secondary study area. At 3.2 persons per household, the average household size is higher than it is in the proposed action area and primary study area, and higher than the average for both Brooklyn (2.8 persons per household) and New York City (2.6 persons per household).

The median income for the secondary study area is significantly lower than the median income for Brooklyn—\$21,893 as compared to \$32,135. The area's average income, at \$30,646, is also lower than the borough-wide average of \$46,292. These income disparities may be partially attributable to the presence of several public housing complexes in the study area, including the Williamsburg Houses with 1,620 apartments and 3,109 residents, the Taylor-Wythe Houses with 525 apartments and 1,681 residents, and the Independence Towers with 744 apartments and 2,179 persons.¹⁶ Together, these projects contain some 2,889 units, or about 19 percent of the total units in the secondary study area. Like the primary study area, the secondary study area experienced a decrease in median income between 1989 and 1999, from approximately \$21,893 in 1989 to \$20,699 in 1999.

Housing

The type, quality, and age of housing structures vary across the study area. Many residential blocks are lined with three- to four-story brick or frame buildings. Examples include: sections west of Franklin Street in Greenpoint, streets surrounding the Bedford Avenue L station in Williamsburg, and smaller areas northeast and south of McCarren Park. Other areas include six-story apartment buildings and older, industrial loft buildings that have been partially or wholly converted to residential use. Examples of such buildings can be found in clusters along West Street, near North 11th Street and Berry Street, and along North 3rd Street. The housing stock in the study area is generally older than housing in the borough. According to RPAD data, approximately 97 percent of housing units in the proposed action area are in structures built before 1940. In comparison, 43 percent of the housing stock in the borough was built before 1940.

TABLE 3-18
Percent of Population Below Poverty Level

Area	1989	1999	Change
Proposed Action Area	23.6	20.2	-3.4
Primary Study Area	28.4	27.3	-1.1
Secondary Study Area	42.3	44.7	2.4
Study Area Total	32.9	32.8	-0.1
Brooklyn	22.7	25.1	2.4
New York City	18.9	20.8	1.9
<p>Notes: The Census Bureau uses a set of money income thresholds that vary by family size and composition to detect who is poor. If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family or unrelated individual is classified as being "below the poverty level."</p> <p>Sources: U.S. Department of Commerce, Bureau of the Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.</p>			

¹⁶ New York City Housing Authority: <http://www.nyc.gov/html/nycha/tdhtml/devdirectory5.html>. (10/30/03).

According to the 2000 Census, there are approximately 45,527 occupied housing units in the study area. (See Table 3-19.) Of these, approximately 14.2 percent are owner-occupied and 85.8 percent are renter-occupied. (See Table 3-20.) This owner-occupancy rate is low when compared to the averages for Brooklyn (27 percent) and New York City (30 percent). The area's vacancy rate in 2000 was approximately 5.0 percent, lower than the 5.4 percent vacancy rate in Brooklyn and the 5.6 percent rate in New York City.

TABLE 3-19
Housing Units and Vacancy

Area	Total Housing Units			Vacant Housing Units			Percent Vacant	
	1990	2000	% Change	1990	2000	% Change	1990	2000
Proposed Action Area	7,352	8,365	13.8	622	454	-27.0	8.5	5.4
Primary Study Area	22,630	24,231	7.1	1,065	1,119	5.1	4.7	4.6
Secondary Study Area	14,637	15,304	4.6	746	800	7.2	5.1	5.2
Area Total	44,619	47,900	7.4	2,433	2,373	-2.5	5.5	5.0
Brooklyn	873,671	930,866	6.5	45,472	50,139	10.3	5.2	5.4
New York City	2,992,169	3,200,912	7.0	172,768	179,324	3.8	5.8	5.6

Sources: U.S. Department of Commerce, Bureau of Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.

TABLE 3-20
Housing Tenure

Area	Owner Occupied Housing Units				Renter Occupied Housing Units			
	1990		2000		1990		2000	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Proposed Action Area	1,082	16.1	990	12.5	5,648	83.9	6,921	87.5
Primary Study Area	3,526	16.4	3,450	14.9	18,039	83.6	19,658	85.1
Secondary Study Area	1,976	14.2	2,025	14.0	11,915	85.8	12,479	86.0
Area Total	6,584	15.6	6,465	14.2	35,602	84.4	39,058	85.8
Brooklyn	214,788	25.9	238,367	27.1	613,411	74.1	642,360	72.9
New York City	807,378	28.6	912,296	30.2	2,012,023	71.4	2,109,292	69.8

Sources: U.S. Department of Commerce, Bureau of Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.

Based on the number of Certificates of Occupancy issued from 2000 through 2003, the study area has gained approximately 711 housing units since the 2000 Census, with approximately two thirds of the units (466) added to the primary study area. This brings the 2003 housing unit count for the study area to approximately 48,611.

According to building permit and variance data, the amount of new residential activity in the study area is greater than the Certificate of Occupancy (C of O) data indicates. The C of O data captures only those units that were fully complete by the end of 2003; many more buildings were still under construction or in pre-construction phases having requested or been granted a building permit and/or variance. New York City Department of Buildings (DOB) records indicate there were 1,277 building permits issued for properties in the study area between 2000 and 2003, and that an additional 219 have been issued in 2004. And according to the Board of Standards and Appeals, 51 variances, which would yield a total of 1,827 residential units, have been requested in the study area since 2000. The area has also experienced

widespread, unauthorized conversion of loft buildings into residential units in recent years which were not likely captured in the 2000 Census or in DOB permit data. As shown in Figure 3-14, residential uses were observed in over 180 industrial buildings in the proposed action area, according to a DCP field survey. Assuming that most of these sites were converted to residential use without the necessary BSA variance, the number of new units added to the area since 2000 could be several hundred units higher than Census and DOB permit figures indicate.

According to the 2000 Census, home values in the study area are high compared to Brooklyn and New York City. At \$229,385, the median home value for the area is slightly higher than the median home value for Brooklyn and \$8,185 higher median for New York City (see Table 3-21). It is not possible to compare 1990 and 2000 Census data on median home value because the median home value reported in the 1990 Census is based on “specified” housing units only (this excludes many apartment units), while the 2000 values are based on all housing units. However, MISLAND data compiled by DCP indicates that home values have increased significantly since 1990. According to the data, the average sale price for two-family homes in the study area increased by 48 percent between 1990 and 2002, from \$216,000 to \$319,000 in 2002 constant dollar terms. Over that same time period, small walk-up apartments increased by 38 percent (from \$237,000 in 1990 to \$328,000 in 2002 constant dollar terms), and large walk-ups by 49 percent (from \$305,000 to \$455,000 in 2002 constant dollar terms).

TABLE 3-21
Housing Characteristics

Area	Median Home Value ^{1,2}			Median Contract Rent ^{1,2}		
	1990 ³	2000	Percent Change	1990	2000	Percent Change
Proposed Action Area	N/A	\$235,245	N/A	\$452	\$645	42.8
Primary Study Area	N/A	\$177,189	N/A	\$465	\$563	21.0
Secondary Study Area	N/A	\$214,302	N/A	\$439	\$487	10.9
Area Total	N/A	\$229,385	N/A	\$468	\$550	17.6
Brooklyn	N/A	\$229,200	N/A	\$564	\$621	10.1
New York City	N/A	\$221,200	N/A	\$590	\$646	9.5
<p>Notes:</p> <p>1 Several Census tracts in the study area are split by the proposed action area boundary. Because sample count data (SF3 data) including data on median contract rent and home value are not available for blocks, values for tracts split by proposed action area boundaries were calculated using a combination of tract-level data from SF3 and block-level data from SF1. For each of these tracts, the geographic distribution of total housing units was computed using 2000 block-level data, in effect creating a sort of “pseudo-tract.” The median contract rent and home value were calculated based on the distribution of contract rents and home values in these “pseudo-tracts.”</p> <p>2 All 1990 values were converted to 2000 constant dollars using the US Department of Labor’s Consumer Price Index for the “New York-Northern New Jersey-Long Island” area.</p> <p>3 The 1990 median home value is not reported because the 1990 value was based on “specified owner-occupied housing units” only, while the 2000 median was based on all owner-occupied housing units. The two data sets are not comparable.</p> <p>Sources: U.S. Department of Commerce, Bureau of Census, 1990 and 2000 Census, Summary File 1 and Summary File 3.</p>						

Median contract rent, though lower than the average for Brooklyn and New York City, increased at almost twice the rate as the Borough or City from 1990 to 2000—growing by 17.6 percent in constant dollar

terms (i.e., adjusted for the effects of inflation), as compared to 10.1 percent in Brooklyn and 9.5 percent in New York City.¹⁷

While Census data on median contract rent provide a statistical basis for comparing trends in changing values and rents, these data are affected by factors such as the presence of rent-regulated housing units in the City and study area, and so do not reflect market trends experienced in non-regulated apartments. In order to obtain a more accurate picture of current market rate rents in the study area, real estate firms specializing in the Greenpoint and Williamsburg residential markets were contacted and asked to provide information on rents in the study area. The information provided by these firms indicates that rental rates in the study area vary according to the type and location of the unit, with new or newly converted units often renting for significantly more than units in older buildings, and units in Williamsburg generally commanding higher rents than those in Greenpoint.¹⁸ Current apartment listings and conversations with local real estate experts indicate that on average, market-rate one bedroom apartments (i.e., apartments that are not subject to rent regulations) in Williamsburg and Greenpoint rent for roughly \$1,200 and \$1,100 per month, respectively. Market-rate two bedroom units in Williamsburg rent for between \$1,500 and \$1,800 per month, while two bedroom market rate units in Greenpoint average between \$1,300 and \$1,500 per month.¹⁹

According to local real estate experts, rental rates for rent regulated apartments are more difficult to estimate because they tend to turn over less frequently than market rate apartments, and so there are fewer listings to judge average rental rates from. However, one brokerage firm (Kenn Firlo Realty Corporation) indicated that rental rates for one bedroom rent stabilized apartments in the study area are in the vicinity of \$700 - \$900 per month.²⁰

Proposed Action Area: Housing

According to the 2000 Census, the proposed action area includes approximately 8,365 housing units, 12.5 percent of which are owner-occupied, and 87.5 percent, renter-occupied. Median home value in 2000 was \$235,245. Median contract rent in the proposed action area increased from 1990 to 2000, from \$452 in 1990 to \$645 in 2000 (an increase of 42.8 percent), so that by 2000 it was comparable to the median rent for New York City.

Approximately 5.4 percent of housing units in the proposed action area were vacant in 2000. This vacancy rate is similar to the overall rates for Brooklyn (5.4 percent) and Manhattan (5.6 percent), and is noticeably lower than it was in 1990, when 8.5 percent of all housing units were vacant.

¹⁷ According to the US Census Bureau, median contract rent is “the monthly rent agreed to or contracted for, regardless of any furnishings, utilities, fees, meals, or services that may be included. For vacant units, it is the monthly rent asked for the rental unit at the time of interview.”

¹⁸ Williamsburg is broadly defined to include Northside, Southside, and East Williamsburg, covering the area roughly bound by Flushing Avenue to the south, Morgan Avenue to the east, the East River to the west, and North 12th Street, the Southern boundary of McCarren Park, and Bayard Street to the north. Greenpoint is defined as the area roughly bound by the BQE to the east, Newtown Creek to the north, North 12th Street to the south, and the East River to the west.

¹⁹ Information on current rental rates in Greenpoint and Williamsburg was gathered through phone conversations with local real estate agencies such as Greenpoint Properties, Inc., Central Brokerage Realty, and Kenn Firlo Realty, and through real estate sections of local newspapers such as the *New York Times*.

²⁰ Telephone conversation with Peter Freglette at Kenn Firlo Realty Corporation. June 24th, 2004.

Since the 2000 Census, the proposed action area has gained approximately 124 housing units, bringing the total to 8,489. As discussed above, this number reflects only those units for which Certificates of Occupancy (C of O) were issued between 2000 and 2003. New residential activity in the proposed action area is actually greater than this number indicates, since C of O data captures only those units that were fully complete by the end of 2003. Information provided by the Department of Buildings (DOB) indicates that 366 building permits were issued in the proposed action area between 2000 and 2003, and that an additional 157 have been issued in 2004. The number of building permits issued in the proposed action area in 2004 is roughly four times the number issued in the primary study area (39 in 2004) and over six times the number issued in the secondary study area (23 in 2004).

Primary Study Area: Housing

According to the 2000 Census, the primary study area contains approximately 24,231 housing units. The 2000 vacancy rate (4.6 percent) was the lowest of the three study areas, and was also lower than the overall vacancy rates for Brooklyn (5.4 percent) and New York City (5.6 percent). The owner occupancy rate in the primary study area, though higher than the proposed action area rate, was less than 15 percent—a marked contrast to the 27.1 percent rate for Brooklyn and the 30.2 percent rate for New York City.

Between 1990 and 2000 rental rates increased by 21 percent from \$465 per month in 1990 to \$563 per month in 2000.

Since the 2000 Census, the primary study area has gained approximately 466 units, growing by approximately 1.9 percent and bringing the area total to 24,697. As discussed above, this number reflects only those units for which Certificates of Occupancy (C of O) were issued between 2000 and 2003. New residential activity in the primary study area is actually greater than this number indicates, since C of O data captures only those units that were fully complete by the end of 2003. Information provided by DOB indicates that 601 building permits were issued in the proposed action area between 2000 and 2003, and that an additional 39 have been issued in 2004.

Secondary Study Area: Housing

According to the 2000 Census, the secondary study area contains approximately 15,304 housing units. About 14 percent of the units are owner-occupied, and 86 percent are renter-occupied. The median home value in 2000 was approximately \$214,300 and the median contract rent, \$487.

The housing stock in the secondary study area has increased by 0.8 percent since 2000, gaining about 121 units for a current total of approximately 15,425. As discussed above, this number reflects only those units for which Certificates of Occupancy (C of O) were issued between 2000 and 2003. New residential activity in the secondary study area is actually greater than this number indicates, since C of O data captures only those units that were fully complete by the end of 2003. Information provided by DOB indicates that 310 building permits were issued in the proposed action area between 2000 and 2003, and that an additional 23 have been issued in 2004.

Rent-Regulated Housing

The rental rates for many of the housing units in New York City are controlled through several mechanisms: rent control, rent stabilization, direct public subsidies to landlords, and public ownership.

There are two main types of rent regulation programs in New York City: rent control and rent stabilization. Rent control limits the rent an owner may charge for an apartment and restricts the right of an owner to evict tenants. In New York City, the rent control program applies to apartments in residential buildings containing three or more units and constructed before February 1947. For an apartment to fall under rent control, the tenant must have been living in that apartment continuously since before July 1, 1971. When a rent controlled apartment becomes vacant, it either becomes rent stabilized or, if it is in a building with fewer than six units, is removed from regulation. Rent stabilization limits the annual rate at which rents can increase. In New York City, rent stabilization generally applies to apartments in buildings containing six or more units built between February 1, 1947 and January 1, 1974. An apartment is no longer subject to rent stabilization if it becomes vacant and could be offered at a legal regulated rent of \$2,000 or more, or if it is occupied by tenants whose total annual household income exceeds \$175,000.²¹

Other programs and types of housing offering rent protection include Section 8 housing, Mitchell-Lama developments, public housing, and 421-a or 420-c tax abated buildings. These housing types are defined as follows:

Section 8: Section 8 housing units are rental units owned by landlords who participate in the low-income rental assistance program. Landlords receive subsidies from the government on behalf of low-income tenants, and the tenants then pay the difference between the actual rent charged by the landlord and the amount that is subsidized by the program. This enables the tenants to pay a limited proportion of their incomes toward rent.

Mitchell-Lama housing: According to the New York City Department of Housing Preservation and Development (HPD) the New York State Mitchell-Lama Program was created in 1955 as a means of providing affordable rental and cooperative housing to moderate- and middle-income families. Under the Mitchell-Lama program, the City and State provide low-interest mortgages and/or tax exemptions to Mitchell-Lama buildings, and in exchange, building owners must adhere to limitations on profits, income limits on tenants, and supervision by appropriate government agencies. Income requirements for Mitchell-Lama housing vary by development, household size, and rent rates, but in City-sponsored projects, eligibility is generally based on the median income in which the development is located.

Public housing: According to HPD, public housing refers to housing units constructed and managed by government for low-income households. In New York City, public housing developments are managed by the New York City Housing Authority (NYCHA), most of which are funded in large part by the federal Department of Housing and Urban Development (HUD).

421-a buildings: According to the New York City Rent Guidelines Board, newly constructed multiple dwelling buildings with three or more units are eligible for 421-a tax abatement status. In order to receive the abatement, the building owner must agree to stabilize rents in his or her building for a prescribed period. Owners may charge initial rents according to a formula that accounts for development costs and operating expenses, and may only charge guideline rent increases plus 2.2 percent of the original rent per year over the course of the abatement period.

420-c buildings: According to the New York City Rent Guidelines Board, the 420-c program provides tax exemptions for housing that is: owned or controlled by a non-profit housing development fund company;

²¹ Rent regulations obtained from the New York State Division of Housing and Community Renewal, Office of Rent Administration and the New York City Rent Guidelines Board.

subject to regulatory agreement which requires use as low-income housing; financed in part with a loan from the city or state; and financed with federal low-income housing tax credits.

Figures 3-14 and 3-14a show all of the rent stabilized, Section 8, Mitchell-Lama, and 421-a/420-c housing units in the study area. The maps also show owner-occupied condos and coops and single-family homes (which are likely to be owner-occupied) as well as non-residential buildings that, based on field observations, are now residentially occupied. Many of the remaining buildings, classified as “All Other Housing,” are likely to be unprotected by rent regulations or housing programs. It is important to note, however, that some portion of these buildings are owner-occupied and therefore would not be considered unprotected.

Based on data from the New York State Division of Housing and Community Renewal (DHCR) and the New York City Department of Finance, LotInfo 2003 Database, it is estimated that there are a total of 27,531 rent-stabilized housing units in the study area and another 61 units in recently constructed buildings with 421-a or 420-c tax exemptions. The study area also includes other rent-regulated units, including 1,220 Mitchell-Lama units, 285 Section 8 units, and 1,457 public housing units.²² As shown in Figures 3-14 and 3-14a, some portion of the remaining units are single-family homes. Although owner-occupancy information is not available through LotInfo, it is likely that many of these units are, like condos and co-ops, owner-occupied.

Population Currently At Risk of Indirect Displacement

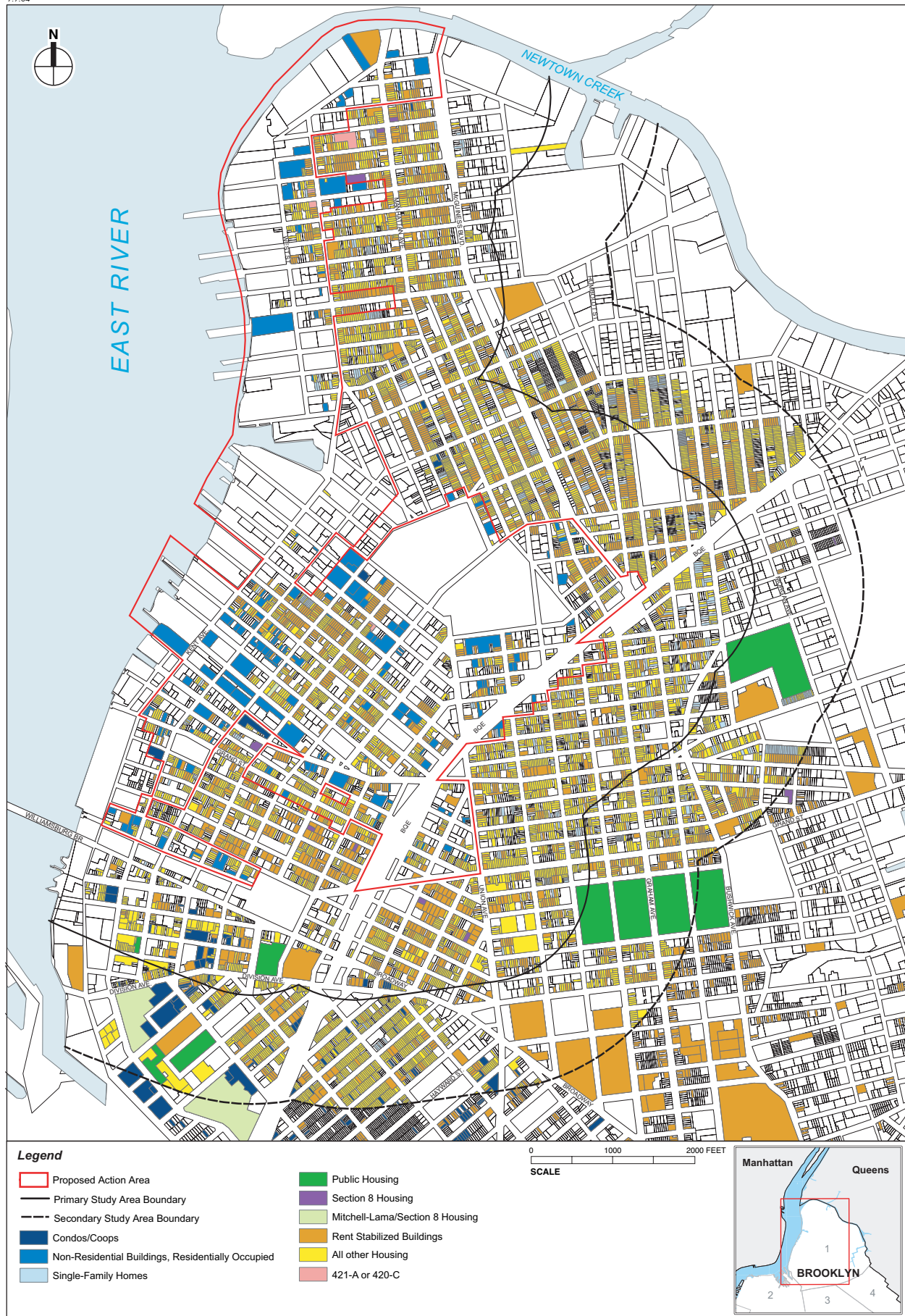
According to the *CEQR Technical Manual*, a population at risk of indirect displacement consists of people living in privately held units unprotected by rent control, rent stabilization, or other forms of rent control, whose incomes or poverty status indicate that they could not support substantial rent increases that would occur as a result of the proposed action.

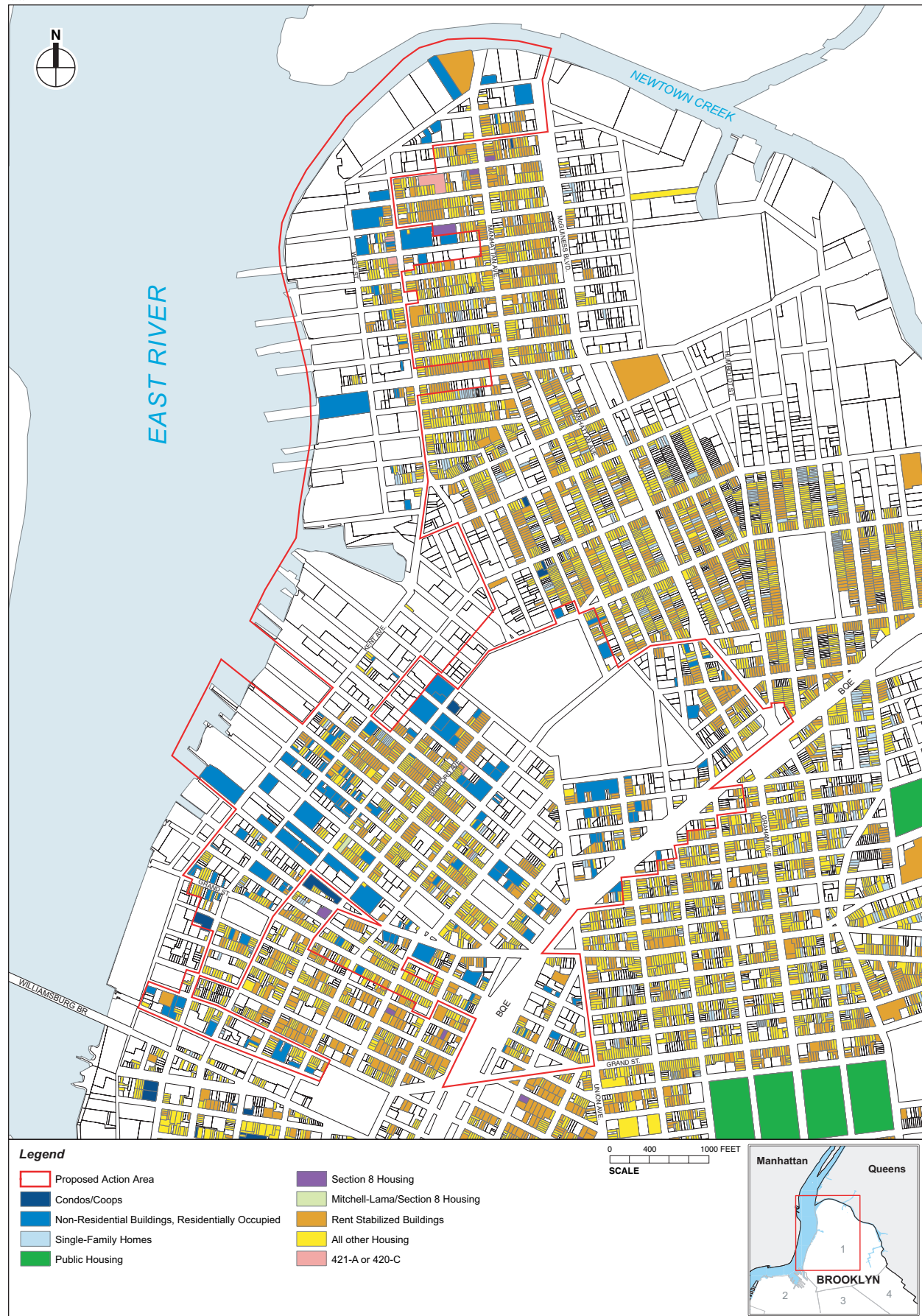
This section of the chapter presents information needed to determine whether the study area contains a population that would be at risk of indirect displacement under the proposed action. This information (which includes a tract-level analysis of the study area’s economic characteristics along with the estimated number of unprotected rental units in each of the study area’s Census tracts) is followed by an analysis of the “population at risk.” The methodology for determining whether and where that population at risk is located is presented below, under “Identifying Population At Risk.”

Economic Status of Study Area Population: Detailed Analysis

In general, the study area is characterized by a relatively high percentage of low- and moderate-income households. As discussed earlier, the poverty rate for the study area (32.8 percent) is higher than the boroughwide and citywide rates, and according to the 2000 Census, median household income in the study area, (\$27,518) is lower than the median household income for both Brooklyn (\$32,135) and New York City (\$38,293). The average household income for the study area (\$37,057) is also lower than the borough-wide average (\$46,292) and city-wide average (\$88,158). However median household income in the study area increased by 0.5% between 1989 and 1999 (in constant dollar terms), compared with decreases in Brooklyn (-10.3%) and New York City (-5.2%).

²² Information on rent controlled and stabilized units was obtained in part from the New York State Division of Housing and Community Renewal (DHCR), which maintains a list of rent stabilized buildings in the city, and in part by using LotInfo 2003 to identify buildings that fit the criteria for rent stabilization. Information on public housing was obtained from the New York City Housing Authority (NYCHA). A list of Mitchell-Lama developments was obtained from the New York City Department of Housing Preservation and Development (HPD). Section 8 housing was identified through the Housing and Urban Development (HUD).





The characteristics of the proposed action area, in terms of income and poverty, are more favorable than the study area as a whole. According to the 2000 Census, the median household income for the proposed action area is \$34,850, higher than the medians for the primary and secondary study areas and for Brooklyn. Furthermore, the proposed action area experienced a substantial increase in median household income between 1989 and 1999 (8.4 percent), while median household incomes in the primary and secondary study areas, Brooklyn, and New York City, all decreased between 1989 and 1999.

Average household income tells a similar story. In 1999, the average household income in the proposed action area was approximately \$4,600 higher than the average for the primary study area and \$12,870 higher than the average for the secondary study area. The proposed action area's average household income was still lower than the averages for Brooklyn and New York City in 1999. However, the proportional increase in average income between 1989 and 1999 was markedly higher in the proposed action area than it was in Brooklyn (a 12.3 percent increase in the proposed action area, compared to a 0.6 percent increase in Brooklyn) and almost equal to the city-wide increase (13.9 percent), indicating an influx of higher income households.

For the proposed action area as a whole, the poverty rate was approximately 20.2%, which is lower than the borough-wide rate (25.1%), the primary study area (27.3%), and the secondary study area (44.7%, reflecting the presence of large public housing developments).

Proposed Action Area: Economic Status

As shown in Figures 3-11, 3-12, and 3-13, when income and poverty are analyzed by Census tract, the tracts within the proposed action area generally have higher incomes and lower poverty rates than the tracts outside the proposed action area. Some of the highest incomes are in tracts located almost completely within the proposed action area, such as tracts 577 and 559. Many of the tracts located in the core proposed action area, such as 555 and 517 have high median and average incomes relative to tracts located outside the proposed action area. Few of the Census tracts within or overlapping the proposed action area have a median household income of less than \$30,000. Three exceptions are tracts 551 and 523 (located at the southern border of the proposed action area) and tract 579 (at the northernmost portion of the study area). None of these tracts fall entirely within the proposed action area; the proposed action area includes only very small portions of tracts 579 and 523. Tract 563 is the only Census tract in the proposed action area with a poverty rate of more than 25 percent.

Primary Study Area: Economic Status

When compared to the proposed action area, household incomes are lower in the southern part of the primary study area, but generally the same in the eastern portion. Poverty rates are generally higher in the southern and far northern part of the primary study area, but about the same as in the proposed action area in the Census tracts located east and directly north of the proposed action area. According to Census 2000 data, the tracts located in the southern part of the primary study area—523, 525, 527 and 547—have some of the lowest median and average household incomes. Tract 525, which is bisected by the Williamsburg Bridge, has the lowest household income in the entire study area, with a median household income of \$12,069 and an average household income of \$17,397. As shown in Figures 3-11 and 3-12, the area to the east of the proposed action area has notably higher incomes than the tracts in the southern portion of the primary study area. Tracts 473, 477, 497, and 503 have incomes comparable to tracts located within the proposed action area, ranging from a median of \$36,042 to \$37,863 and an average of \$43,538 to \$63,060. The same is true for Census tracts located just north of the proposed action area—569, 571, 567 and 573. In general, the poverty rate increases with distance from the proposed action area. The poverty rate is highest (over 50 percent) in tracts 525 and 547, the area just south of the Williamsburg Bridge. As

indicated previously, this is partially attributable to the presence of large public housing developments in the area.

Secondary Study Area: Economic Status

The Census tracts in the secondary study area contain the highest poverty rates and the lowest median and average household incomes in the Greenpoint-Williamsburg study area. The area south of the Williamsburg Bridge contains a cluster of Census tracts with poverty rates of over 50 percent – tracts 545, 535, 533 and 529. Median and average household incomes are also low there, ranging from a median of \$12,209 and average of \$19,255 in tract 533 to a median of \$17,216 and average of \$27,190 in tract 529. Tract 565, in the far eastern portion of the secondary study area also has a poverty rate of over 50 percent and a median household income of just \$12,581.

The secondary study area does contain two higher-income Census tracts: tracts 593 and 473 in the far northeastern portion of the study area. Median incomes in these tracts are \$35,208 and \$37,019, respectively, and average incomes are \$40,342 and \$63,060, respectively. The poverty rate is just 8.9 percent in tract 473 and 18.5 percent in tract 593.

Unprotected Units

As stated above, the population vulnerable to secondary displacement pressure are those with low- and moderate-income living in buildings not protected by rent control, rent stabilization or other publicly-assisted housing programs.

Table 3-22 shows that 14,678 units in the study area are located in buildings defined as unprotected—buildings with 5 or fewer units. Census 2000 data on buildings with 1 to 4 units were used to determine the location of unprotected buildings within the study area. The number of buildings with 5 units in the study area was determined using Department of Finance RPAD data. Buildings with more than 5 units built after 1974 are not included in this analysis because information on age of building by income and building size is not available in the Census.

TABLE 3-22
Unprotected Housing Units

	Units in 1-5 Unit Buildings (Unprotected Units)	%of All Unprotected Units	Total Renter- Occupied Units	Unprotected Units as % of All Renter Units
Proposed Action Area	3,285	22%	9,161	36%
Primary Study Area	6,584	45%	17,738	37%
Secondary Study Area	4,809	33%	12,670	38%
Total	14,678	100%	39,569	37%
Sources: Census 2000 and New York City Department of Finance RPAD data.				

Proposed Action Area: Unprotected Units

As shown in Table 3-22, approximately 36 percent of all renter-occupied units in the proposed action area (3,285 units) are not likely to be protected by rent regulations. While the number of unprotected units is higher in the primary and secondary study areas than it is in the proposed action area (6,584 and 4,809

units for the primary and secondary study areas, respectively, as compared to 3,285 units in the proposed action area), the ratio of unprotected to protected units is similar for all three study areas.

Table 3-23 shows the distribution of unprotected units across the proposed action area Census tracts. As shown in the table, tract 519 has the highest number of unprotected units in the proposed action area (577 units). These units represent approximately 46 percent of the total renter-occupied units in the tract and about 4 percent of all unprotected units in the larger study area. There is only one Census tract (559) in which unprotected units represent 50 percent or more of total rental units, and as shown in the table, this tract includes a total of only 54 renter-occupied housing units. Census tracts in which unprotected units represent over 35 percent of all renter-occupied units include: 499, 519, 553, 555, 557, and 559. Of those, tracts 499, 519, and 553 contain the highest number of units; the remaining three tracts each contain fewer than 200 unprotected units, with tract 559 containing only 34 unprotected units.

TABLE 3-23
Unprotected Housing Units by Census Tract

Tract	Total Renter-Occupied Units	Units in 5-Unit Buildings*	Units in 1-4 Unit Buildings	Total Unprotected Units*	% of Total Unprotected Units	Unprotected Units as % of Total Renter Units
Proposed Action Area						
499	604	41	222	263	8.0%	43%
513	1,338	24	427	451	13.7%	34%
515	367	24	87	111	3.4%	30%
517	593	46	160	206	6.3%	35%
519	1,241	66	511	577	17.6%	46%
551	1,488	34	402	436	13.3%	29%
553	972	59	323	382	11.6%	39%
555	384	19	161	180	5.5%	47%
557	517	39	150	189	5.8%	37%
559	54	2	32	34	1.1%	64%
563	1,544	96	346	442	13.5%	29%
577	59	1	12	13	0.4%	23%
Total	9,161	452	2,833	3,285	100.0%	36%
Primary Study Area						
477	738	30	467	497	7.6%	67%
497	851	46	431	477	7.2%	56%
501	993	39	484	523	7.9%	53%
503	903	28	495	523	7.9%	58%
523	1,789	45	300	345	5.2%	19%
525	1,109	13	93	106	1.6%	10%
527	2,006	42	309	351	5.3%	17%
547	740	29	214	243	3.7%	33%
549	548	16	257	273	4.1%	50%
565	1,282	73	369	442	6.7%	35%
567	1,128	74	413	487	7.4%	43%
569	511	23	255	278	4.2%	54%
571	1,608	102	669	771	11.7%	48%
575	1,677	130	431	561	8.5%	33%
579	460	37	81	118	1.8%	26%
591	1,395	100	491	591	9.0%	42%
Total	17,738	825	5,759	6,584	100.0%	37%

TABLE 3-23
Unprotected Housing Units by Census Tract

Tract	Total Renter-Occupied Units	Units in 5-Unit Buildings*	Units in 1-4 Unit Buildings	Total Unprotected Units*	% of Total Unprotected Units	Unprotected Units as % of Total Renter Units
Secondary Study Area						
465	754	9	19	28	0.6%	4%
473	225	10	138	148	3.1%	66%
481	976	58	285	343	7.1%	35%
495	858	44	423	467	9.7%	54%
505	1,424	75	233	308	6.4%	22%
511	1,252	26	182	208	4.3%	17%
529	866	19	523	542	11.3%	63%
533	1,483	23	1,095	1,118	23.3%	75%
535	993	16	457	473	9.8%	48%
545	1,823	2	64	66	1.4%	4%
573	844	44	406	450	9.4%	53%
589	494	25	256	281	4.3%	57%
593	678	38	340	378	7.9%	56%
Total	12,670	388	4,421	4,809	100.0%	38%
<p>Source: The number of units in five-unit buildings in each tract was estimated based on Department of Finance RPAD data of five-unit buildings for the entire study area and Census 2000 tract-level data on the number of buildings with 5 to 19 units; data on the number of units in buildings with 1 to 4 units was obtained from U.S. Census 2000 SF-3 data.</p> <p>Notes: The count of renter-occupied units for each study area, as presented in this table, is slightly different from the count presented earlier in the chapter. This is because the analysis of vulnerable population, which uses the data in this table, had to be conducted at the Census tract level rather than the block level. Therefore, the study areas were defined here using tracts rather than blocks.</p>						

Primary Study Area: Unprotected Units

The primary study area has the highest number of unprotected units of the three study areas, as shown in Table 3-22, at about 6,584. The area also has the greatest number of renter-occupied units, and unprotected units make up about 37 percent of all the renter-occupied units in the area, almost equal to the proportion of unprotected units to total renter-occupied units in the other study areas.

Within the primary study area, tract 571 contains the highest number of unprotected units (711 units, or about 11 percent of all unprotected units in the primary study area), and about 5.3 percent of all the renter-occupied units in the larger study area. Unprotected units make up at least 50 percent of all renter-occupied units in tracts 477, 497, 501, 503, 549, 569 and 589.

Secondary Study Area: Unprotected Units

The secondary study area contains about 33 percent of all unprotected units in the combined study areas representing about 38 percent of the total renter-occupied housing units in the secondary study area.

As shown in Table 3-23 tract 533 has both the highest number of unprotected units in the secondary study area (1,118 units) and the highest proportion of unprotected units; 75 percent of all renter-occupied units in the tract are unprotected. Unprotected units make up at least 50 percent of all the renter-occupied units in tracts 473, 495, 529, 533, 573 and 593.

Identifying Population at Risk

In order to determine whether a population at risk exists in the study area, the *CEQR Technical Manual* recommends analyzing “Census data on income and renters in structures containing fewer than six units” combined with data on other factors, including the presence of subsidized housing and land use.

The following steps were used to identify population at risk:

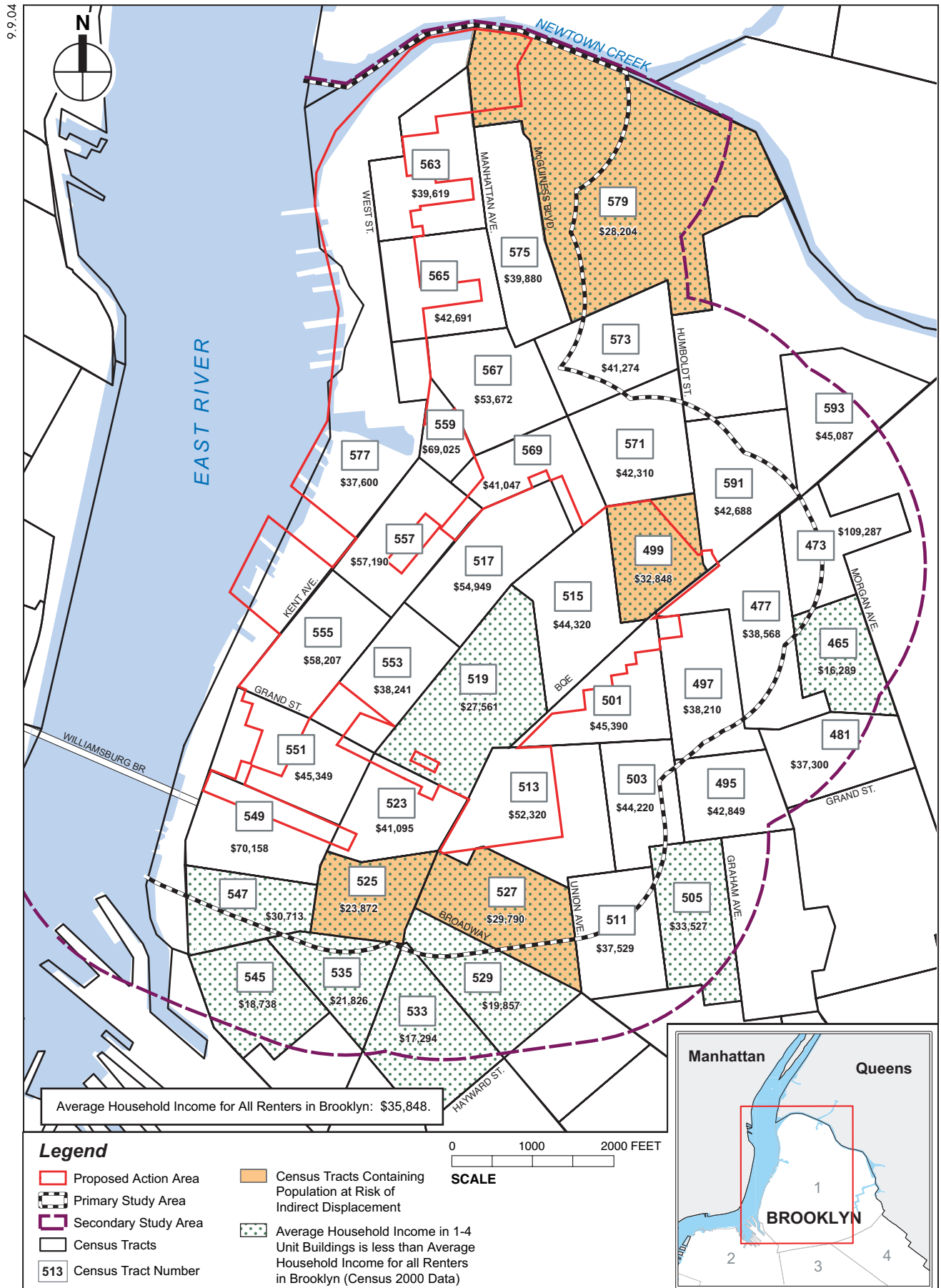
1. Census 2000 tract-level data were used to determine the average household income of renters in small (1-4 units) buildings. As described above, these buildings are not generally subject to rent regulation laws.²³
2. For each Census tract, the average household income for renters in small buildings was compared to the average household income for renters in large buildings to determine where income disparities exist between renters in small and large buildings. This information was used to gain a better understanding of the income distribution across housing types and Census tracts. Average incomes were used in place of median incomes for this analysis because Census data on median household income by size of building is not publicly available.
3. For each Census tract, the average household income for renters in small buildings was compared to the average household income for all renters in Brooklyn. If the average for small buildings was lower than the borough-wide average for all renters, the Census tract was identified as having a potentially vulnerable population.
4. Census tracts identified as having a potentially vulnerable population were examined in greater detail to determine whether the discrepancy in average incomes between renter-occupied small buildings in the tract and all renter-occupied buildings in Brooklyn is indicative of a truly vulnerable population. In some cases, for example, the income discrepancy is likely to have decreased since the 2000 Census (due to new construction and apartment turnover), and in others, the geographic location of the Census tract makes it less vulnerable to indirect displacement pressures. Any tracts that were not screened out through this more detailed examination of current conditions were assumed to contain some vulnerable population.

In general, if average incomes in unprotected (small) buildings are low compared to average incomes in protected (large) buildings and in renter-occupied buildings in Brooklyn as a whole, then the study area might contain a significant population at risk. Given recent trends in market rents, described above under “Housing,” it is likely that the average income of renters in unregulated units would in general be higher than the average income for renters in regulated units.

The Census data are generally consistent with the prediction that incomes for renters in small, unregulated buildings would be higher than the incomes for renters in regulated buildings. As shown in Table 3-24, this is true for all but two Census tracts in the proposed action area, four tracts in the primary study area and six tracts in the secondary study area. Census tracts in which the average household income for renter-occupied units in small buildings is lower than the average household income for all renter-occupied units in Brooklyn are shown in italics. (These tracts are also depicted in Figure 3-15.) As described above, this is the criteria used for identifying tracts that could contain a vulnerable population.

²³ Census data on renter income is collected for pre-defined categories of buildings. These categories include buildings with 1-4 units and buildings with 5-9 units, making it impossible to develop an accurate average income for renters in buildings with 1-5 units. The average income for unprotected units is therefore based on the incomes for only those renters living in 1-4 unit buildings. This data constraint does not affect the overall analysis. Units in 5-unit buildings represent only 14 percent of all unprotected units in the proposed action area, and 11 percent of all unprotected units in the broader Greenpoint-Williamsburg study area. Incomes for these units are likely to be similar to incomes in buildings with 1-4 units, and because they represent a small proportion of the unprotected units, they would not substantially affect the average income.

Census Tracts Containing Population Vulnerable to Indirect Displacement



Proposed Action Area: Population at Risk

As shown in Table 3-24, residents living in small (unprotected) buildings are generally more affluent than those living in protected units, and in the majority of tracts, the average income for renters in unprotected units exceeds the average income for Brooklyn renters as a whole. It can be inferred from this data that overall, higher income households moving into the proposed action area during the 1990s were disproportionately concentrated in unregulated housing units, where there are no controls on rent increases and which therefore were most likely to turn over. Thus, in the existing condition, unregulated units in the proposed action area are largely turning over to higher income households. Nonetheless, there are two Census tracts in the proposed action area where the average income for renters in unprotected units is lower than the average income for Brooklyn renters. These tracts, 499 and 519, are shown in Figure 3-15. In tract 499, the average income for households in unprotected units is \$3,000 below the Brooklyn average, and in tract 519, the average is \$8,287 below the Brooklyn average.

TABLE 3-24**Average Household Income for Renters in Small Buildings, Buildings with 5 or More Units, and All Renter-Occupied Buildings in Brooklyn, 2000**

Tract	Average Household Income in Small Buildings*	Average Household Income in Large Buildings	Difference Between Small and Large Buildings	Difference Between Small Buildings and Brooklyn Average**
Proposed Action Area				
499	\$32,848	\$39,532	-\$6,684	-\$3,000
513	\$52,320	\$28,408	\$23,912	\$16,472
515	\$44,320	\$39,340	\$4,979	\$8,471
517	\$54,949	\$51,185	\$3,765	\$19,101
519	\$27,561	\$22,482	\$5,079	-\$8,287
551	\$45,349	\$28,576	\$16,773	\$9,501
553	\$38,241	\$37,442	\$799	\$2,392
555	\$58,207	\$58,452	-\$245	\$22,359
557	\$57,190	\$38,496	\$18,694	\$21,342
559	\$69,025	\$23,727	\$45,298	\$33,177
563	\$39,619	\$35,398	\$4,221	\$3,771
577	\$37,600	\$59,249	-\$21,649	\$1,752
Primary Study Area				
477	\$38,568	\$35,462	\$3,106	\$2,720
497	\$38,210	\$33,256	\$4,954	\$2,362
501	\$45,390	\$33,790	\$11,600	\$9,542
503	\$44,220	\$33,601	\$10,619	\$8,372
523	\$41,095	\$28,576	\$12,519	\$5,247
525	\$23,872	\$17,224	\$6,648	-\$11,976
527	\$29,790	\$27,299	\$2,491	-\$6,058
547	\$30,713	\$21,785	\$8,928	-\$5,135
549	\$70,158	\$47,163	\$22,995	\$34,310
565	\$42,691	\$35,328	\$7,363	\$6,843
567	\$53,672	\$38,710	\$14,962	\$17,824
569	\$41,047	\$36,585	\$4,462	\$5,199
571	\$42,310	\$33,923	\$8,387	\$6,462
575	\$39,880	\$31,794	\$8,086	\$4,032
579	\$28,204	\$27,902	\$302	-\$7,644
591	\$42,688	\$36,852	\$5,836	\$6,840

TABLE 3-24**Average Household Income for Renters in Small Buildings, Buildings with 5 or More Units, and All Renter-Occupied Buildings in Brooklyn, 2000**

Secondary Study Area				
465	\$16,289	\$21,343	-\$5,054	-\$19,559
473	\$109,287	\$32,090	\$77,197	\$73,439
481	\$37,300	\$23,402	\$13,898	\$1,452
495	\$42,849	\$31,653	\$11,196	\$7,001
505	\$33,527	\$30,763	\$2,764	-\$2,322
511	\$37,529	\$32,538	\$4,991	\$1,680
529	\$19,857	\$29,364	-\$9,507	-\$15,991
533	\$17,294	\$18,763	-\$1,469	-\$18,554
535	\$21,826	\$26,891	-\$5,065	-\$14,023
545	\$18,738	\$20,913	-\$2,176	-\$17,111
573	\$41,274	\$36,831	\$4,443	\$5,426
593	\$45,087	\$35,380	\$9,707	\$9,239
Notes:				
* The average household income for small renter-occupied buildings is based on renter-occupied units in buildings with 1 to 4 units.				
** This number represents the difference between the average household income for renters in small buildings and the average household income for all Brooklyn renters.				
*** Tracts in italics are those in which the average household income for renter-occupied units in small buildings is lower than the average household income for all renter-occupied units in Brooklyn.				
Source: U.S. Bureau of the Census, 2000 Census, Summary File 3.				

A closer examination of recent housing trends and population characteristics in these two tracts reveals that tract 519 is not likely to contain a vulnerable population despite the income discrepancies noted above. The population living in unprotected units in tract 499, on the other hand, could be vulnerable to indirect displacement pressures under the proposed action. Characteristics of these two Census tracts are presented below, and the reasons why they do or do not contain a truly vulnerable population are discussed.

Tract 519

Located in the heart of the proposed action area, Tract 519 is bounded by Grand Street to the south, Union Avenue and North 12th Street to the north, the Brooklyn-Queens Expressway to the east, and Driggs Avenue to the west. As described above, in 1999 the average household income for renters in unprotected buildings (\$27,561) was approximately \$8,287 lower than the average for all renters living in Brooklyn (\$35,848), and a high proportion of rental units in the tract (46 percent, or 577 units) are unprotected. Overall, however, the tract's population and housing characteristics do not seem to differ significantly from the characteristics of the proposed action area as a whole. The poverty rate, at 19.2 percent, is slightly lower than the poverty rate for the proposed action area (20.2 percent); the average household size is equal to the average household size for the proposed action area (2.2 persons per household); the vacancy rate is only 0.5 percent higher than the rate for the proposed action area (5.9 percent versus 5.4 percent), and the ratio of owner- to renter-occupied units (approximately 11 percent to 89 percent) is roughly equal to the proposed action area ratio (12.5 percent to 87.5 percent).

Although the 2000 Census data indicate that the average income in unprotected units in tract 519 is lower than the average for rental units across Brooklyn, field observations and data on new construction indicate that the area has changed since 2000 and has likely experienced an influx of a more affluent population, similar to nearby tracts. As shown in Table 3-25 from 2001 through 2003, developers built ten new residential buildings in tract 519, yielding 64 new units. In addition, the Board of Standards and Appeals has approved or is considering variances to allow an additional six new residential buildings in the tract

that could add as many as 220 additional housing units, most of which are expected to sell or rent at market rates. The area has also experienced widespread, unauthorized conversion of loft buildings into residential units in recent years which were not likely captured in the 2000 Census or in DOB permit data. As shown in Figure 3-14, residential uses were observed in over 180 industrial buildings in the proposed action area, according to a DCP field survey. Assuming that most of these sites were converted to residential use without the necessary BSA variance, the number of new units added to the area since 2000 could be several hundred units higher than Census and DOB permit figures indicate.

TABLE 3-25**Proposed and Recently Constructed Housing Units in Census Tract 519**

Block/Lot	Status	Address	Units*	Year Built
22920021	Completed	2 Roebling Street	7	2001
22920121	Completed	223 North 11th Street	4	2001
22920122	Completed	221 North 11th Street	4	2001
22920123	Completed	217 North 11th Street	4	2001
22920124	Completed	215 North 11th Street	4	2001
23460001	Completed	131 Roebling Street	5	2001
23460005	Completed	127 Roebling Street	3	2001
23460007	Completed	125 Roebling Street	3	2001
23140023	Completed	10 Havemeyer Street	6	Not available
23837503	Completed	98 Havemeyer Street	24	2001
23210018	Permit granted	70 Roebling Street	28	Not applicable
23370032	Under construction	211 North 5th Street	8	Not applicable
23210011	Under construction	214 North 8th St	1	Not applicable
22920012	Under construction	232-236 North 12th Street	9	Not applicable
23680026, -0027, -0028	Variance approval pending	90 Havemeyer St. *	19	Not applicable
23150014	Variance approval pending	525 Union Avenue **	60	Not applicable
23060018	Variance approval pending	28 Roebling Street	28	Not applicable
23680001	Variance approval pending	143-153 Roebling Street ***	77	Not applicable

Notes:

* Under the proposed zoning, 90 Havemeyer Street would accommodate approximately 12 units.

** Under the proposed zoning, 525 Union Avenue would accommodate 47 units.

*** According to the variance application, there already exist 28 residential units on the site at 143-153 Roebling Street; the variance application is for legalization and additional residential conversion.

Sources: Department of Buildings Building Information System (BIS) data, applications to the Board of Standards and Appeals, and Department of Finance RPAD data.

It is likely that these buildings have attracted new residents with socioeconomic characteristics similar to those that would be introduced under the proposed action, and similar to the characteristics of the residents who have recently moved to other portions of the proposed action area. As evidenced by the housing and income trend data presented earlier in this chapter, the proposed action area as a whole has experienced an upward shift in incomes, rents, and home values in recent years. New construction in Census tract 519 suggests that this same upward shift is occurring within the tract. Average incomes are likely higher than the 1999 data indicate, and may have already met the Brooklyn average. New construction activity in the tract indicates that the area is considered a desirable place to build and to live.

Tract 499

Located in the easternmost section of the proposed action area, Tract 499 is bounded by Richardson Street and the Brooklyn-Queens Expressway to the south, McGuinness Boulevard to the east, Driggs Avenue to the north and Leonard Street to the west. As described above, in 1999 the average household income for renters in unprotected buildings in tract 499 (\$32,848) was approximately \$3,000 lower than the average for all renters living in Brooklyn (\$35,848), and a high proportion of rental units in the tract (43.5 percent, or 263 units) are unprotected.

In some ways, the housing and population profile of tract 499 is similar to the profile of the proposed action area as a whole. The poverty rate, at 19.7 percent, is slightly lower than the poverty rate for the proposed action area (20.2 percent); the average household size (2.4) is only 0.2 persons per household larger than the average household size for the proposed action area (2.2); the vacancy rate (5.4 percent) is equal to the vacancy rate for the proposed action area; and the median contract rent according to the 2000 Census (\$622) is almost exactly equal to the median contract rent for the proposed action area (\$625).

However, unlike tract 519, building permit data and field observations indicate that very little new housing development has occurred in tract 499 over the past several years, and what little development has occurred has been confined to the northern-most portion of the tract. Despite the population and housing changes taking place throughout the rest of the proposed action area—changes that have in many areas led to the replacement of predominantly white, moderate-income, ethnically homogenous populations by more multiethnic, higher-income populations—the characteristics of residents living in tract 499 seem to have changed very little. Because there is no indication that significant amounts of new housing will be created in the tract over the next several years, it is assumed that the character of this tract would remain largely the same through the proposed action analysis year. This assumption, in combination with the fact that the average income for households living in unprotected units is lower than the average income for Brooklyn renters overall, leads to the conclusion that residents in unprotected units should be considered potentially vulnerable to indirect displacement pressures. In total, the tract contains 263 unprotected units and approximately 620 residents who are potentially vulnerable to displacement.²⁴

Primary Study Area: Population at Risk

Like renters in the proposed action area, renters in small (unprotected) buildings in the primary study area have a higher average household income than other renters in the area. In all 16 Census tracts that have a majority of their land area within the primary study area, the average household income of renters in unprotected buildings exceeded that of renters in protected buildings by amounts ranging from \$302 to \$22,995.

Although renters in unprotected buildings tend to be wealthier than renters in protected buildings, there are several tracts in which the average income for renters in small, unregulated buildings is less than the average income for all renters in Brooklyn. These tracts include: 525, 527, 547, and 579. Together, the 817 unregulated units in these four tracts represent 3.4 percent of all housing units and 4.6 percent of all renter-occupied housing units in the primary study area.

Tract 547

Based on field observations, discussions with real estate agents, and information on new construction or conversion projects, tract 547 was removed from the list of tracts containing a vulnerable population. The

²⁴ This population estimate is based on the 2000 average household size for tract 499: 2.36 persons per household.

area has experienced several high profile market-rate housing development projects in recent years, including the Gretsches on Broadway, just adjacent to this area. A web site for the Corcoran Group, a real estate company, lists condos in the building for between \$770,000 and \$1.9 million, substantially more than a vulnerable population could be expected to pay.²⁵ However, despite an active housing market both in and around tract 547, the population living in unprotected units—a relatively ethnically homogenous, low-income group of residents—has remained in the area. Even in 2000, when the area had already experienced substantial changes in the real estate market that would indicate an influx of higher income residents, low-income residents continued to live in unprotected units. Relationships between landlords and tenants, which may be aided by strong ethnic and/or religious ties, appear to have shielded vulnerable residents from substantial rent increases despite an influx of higher income residents. Therefore, these residents do not constitute a population at risk of displacement.

The same can not be said for the population living in unprotected units in tracts 579, 527, and 525. Residents in these tracts were classified as “vulnerable” because, as shown in Table 3-24, the average household incomes of renters in small unprotected buildings in these tracts are substantially lower than the average household income for all renters in Brooklyn as a whole, and there is no evidence that the population profile has changed substantially since the 2000 Census or that new construction that might change the socioeconomic characteristics of the area is planned for the near future. Characteristics of these three tracts, which contain a total of 575 vulnerable units and 1,890 vulnerable residents, are provided below.

Tract 579

Tract 579 is a large Census tract located in Greenpoint, in the far northern part of the study area (see Figure 3-15). The three blocks in the northwest corner of the tract are included in the rezoning. The population is a mix of Hispanic and White, including a sizeable population of Polish decent, and the average household size is 2.8 persons per household. For residents in unprotected buildings, the estimated average household income is \$32,848—approximately 8.4 percent lower than the average for all Brooklyn renters. The housing stock includes mostly older, small buildings, most of them unprotected, as well as larger, presumably rent-controlled buildings. About one-quarter of all the housing units in the tract are believed to be unprotected. In total, there are approximately 332 residents living in 118 unprotected units in this tract who are potentially vulnerable to displacement.

Tract 527

Tract 527 abuts the rezoning area to the south, on the east side of the Brooklyn-Queens Expressway. The population is primarily low-income and Hispanic and the average household size is 3.2 persons per household. The average household income for renters in small buildings is \$29,790—approximately 17 percent lower than the average for all Brooklyn renters. The housing stock includes a mix of small apartment buildings, one- and two-family homes, as well as larger tenement buildings. Although there has been substantial new construction in the area since 2000, most of the new housing units are subsidized and do not reflect trends in market-rate housing construction. Approximately 17 percent of all the renter-occupied housing units in the area are unprotected. In total, the tract contains approximately 351 unprotected units, housing roughly 1,224 residents who are potentially vulnerable to displacement.

Tract 525

As shown in Figure 3-15, tract 525 is located to the south of the rezoning and is bisected by the Williamsburg Bridge. The population is about one-third Hispanic and two-thirds white, most of whom are probably part of the large Orthodox Jewish community in the area. The area has one of the lowest

²⁵ Retrieved from http://www.corcoran.com/property/nd/detail_fr_listings.asp?ndevid=51 on September 20, 2004.

median household incomes in the study area (\$12,069), due in part to the presence of the Jonathan Williams Houses, a large public housing development north of Division Street. The estimated average household income of renters in unprotected buildings is \$23,872. The average household size is 3.5. The housing stock includes a mix of condos and coops, small apartment buildings, public housing, and larger apartment buildings. About 10 percent of all the renter-occupied housing units in the tract are unprotected, and a majority of these unprotected units are located south of the Williamsburg Bridge. There are approximately 334 persons living in 106 unprotected units in this tract who are potentially vulnerable to displacement.

Secondary Study Area: Population at Risk

Like renters in small (unprotected) buildings in the proposed action area and primary study area, renters in unprotected buildings in the secondary study area tend to have a higher average household income than renters in large (protected) buildings. In seven of the twelve Census tracts that have a majority of their land area within the primary study area, the average household income of renters in small buildings exceeds that of renters in large buildings by amounts ranging from \$2,764 to \$77,197.

As shown in Figure 3-15, there are six Census tracts in the secondary study area where the average income for renters in unprotected buildings was less than the average household income for all Brooklyn renters. These tracts are: 465, 505, 529, 533, 535, and 545. Despite this income disparity, however, the population living in unprotected units in these tracts would not likely be vulnerable to indirect displacement pressures because of a combination of factors, including: distance from the rezoning area; relationships between landlords and tenants; and existing real estate market forces. Given the distance from unprotected units in these Census tracts to the rezoning area boundary (between one-quarter and one-half mile), and the expectation that the majority of the new housing units projected under the proposed action would occur along the waterfront, the market pressure that could cause rents to rise in unprotected units is expected to be much weaker in the secondary study area than in the rezoning and primary study areas.

Given the distance from the rezoning area, other factors particular to these tracts—including historic development patterns, localized real estate market factors, and unique relationships between landlords and tenants—are more likely to exert influence than market pressure resulting from the proposed action. In view of these factors (discussed below) in combination with distance from the rezoning area, the residents of these tracts are not considered a population at risk of indirect displacement.

Tracts 465 and 505

In tracts 465 and 505 existing market forces are likely to have a greater influence on rents than the proposed action itself would in these areas. In particular, tracts 465 and 505 are dominated by public and publicly-assisted housing, a condition that is likely to limit potential significant increases in rents in the limited number of unprotected units in these areas. These factors appear to already limit increases in rent, allowing low-income families to live in unprotected units.

Tracts 529, 533, 535 and 545

Tracts 529, 533, 535 and 545 are characterized by unique relationships between tenants and landlords in the area, which contains a large Orthodox Jewish population. For example, much like in tract 547 in the primary study area, tract 545 has experienced substantial market rate construction since 2000. According to Department of Buildings data compiled by DCP staff on construction permits, 196 market rate housing units were built in the tract since 2000. However, despite an active housing market both in and around tract 545, the population living in unprotected units—a relatively ethnically homogenous, low-income group of residents—has remained in the area. Even in 2000, when the area had already experienced substantial changes in the real estate market that would indicate an influx of higher income residents, low-

income residents continued to live in unprotected units. Relationships between landlords and tenants, which may be aided by strong ethnic and/or religious ties, appear to have shielded vulnerable residents from substantial rent increases despite an influx of higher income residents. The same relationships that have evidently shielded households in tracts 545 and 547 from increases in rent in recent years are believed to also exist between landlords and tenants living in tracts 529, 533 and 535, which also include members of the same tightly-knit, Orthodox Jewish community.

Conclusion: Population at Risk

The analysis above suggests that most of the low-income population in the study area live in units with various types of rent protections, and that many of the units that are vulnerable to market forces are already turning over to a more affluent population. However, some portions of the study area do contain unprotected units with residents who would be vulnerable to indirect displacement pressures under the proposed action. In the proposed action area, there are an estimated 620 people classified as “vulnerable.” The largest concentration of vulnerable residents likely live in 263 unprotected units in Census tract 499, at the far eastern portion of the proposed action area. The primary study area contains another estimated 1,890 people who may be at risk of displacement under the proposed action. These residents are concentrated in three Census tracts: 579 in northern Greenpoint, and 525 and 527 in Williamsburg.

The secondary study area contains several Census tracts that meet the first criteria for identifying a potentially vulnerable population—tracts in which the average income for renters in unprotected units is lower than the average income for renters in Brooklyn. However, the distance between these tracts and the proposed action area (particularly the waterfront, where much of the proposed development would occur) and the presence of other strong real estate market forces make it unlikely that these residents would actually be subject to indirect displacement pressures due to the proposed action.

The detailed analysis results in an estimated population at risk of approximately 2,510 residents living in about 830 unprotected housing units. The size and general location of a population potentially vulnerable to indirect residential displacement is a best estimate based on currently available data.

The Future Without the Proposed Action (No-Action Conditions)

This section describes the housing and population conditions that are expected in the future without the proposed action, presenting development and population changes that are projected to occur in the study area through 2013. The analysis for the primary and secondary study areas is based on projects known to be planned for the area. The analysis for the proposed action area is based on projections for development that would likely occur on projected development sites.

As described in Chapter 1, “Project Description,” the reasonable worst case development scenario (RWCDS) includes two development scenarios for the future without the proposed action. Under Scenario A, Bayside Fuel would continue to occupy its current site (Block 2277, Lot 1). Under Scenario B, a 1,100-megawatt TransGas power plant (with an estimated 187,125 sf in size) would replace the Bayside Fuel facility, and the area between North 9th and North 12th Streets would be mapped as park. Apart from this development, Scenario B would be identical to Scenario A in terms of development anticipated to occur on the other projected development sites.

Under both scenarios, the study area is expected to gain approximately 3,310 housing units by 2013 without the proposed action, for a total of 51,921 units. Roughly 46 percent of that growth (15,31 units) is anticipated in the primary study area, and another 34 percent (1,122 units) is anticipated in the proposed

action area. Of these 1,122 units, 866 will be constructed on projected development sites, and another 256 units will be constructed at 184 Kent Avenue.

Assuming that these new units would have an average household size of 2.27 persons per household and that vacancy rates would remain at their 2000 levels (see “Population and Housing” under Existing Conditions,” above) the 3,310 new units will house approximately 7,139 residents, bringing the total population in the study area to 136,122 in 2013.²⁶ The proposed action area will experience the greatest relative growth in population and housing, growing its housing stock and residential population by approximately 13 percent between 2003 and 2013. Table 3-26 shows population and housing growth under the No-Action scenario.

The Greenpoint-Williamsburg rezoning area, as well as parts of the larger study area, has already experienced an influx of higher income households, and in particular, unprotected units in the rezoning area are already occupied by residents with higher incomes than those living in protected units. The same type of socioeconomic change is expected to continue in the rezoning and parts of the study area in the future without the action, although to a lesser extent than in the future with the action.

The Future With the Proposed Action (With-Action Conditions)

Introduction

The analysis of the proposed action’s effects on population and housing conditions in the study area begins with, and builds upon, the 2013 No-Action trends described above. This section analyzes the mix of uses planned under the proposed action by 2013 and evaluates the potential for indirect residential displacement associated with those changes.

TABLE 3-26
Population and Housing Growth Under No-Action Scenario, 2003-2013

	Housing Units				Population			
	2003 Housing Units	2003-2013 Growth	Total Housing Units 2013	Percent Growth	2003 Population	2003-2013 Growth ⁽¹⁾	Total Population 2013	Percent Growth
Proposed Action Area	8,489	1,122	9,611	13.2%	18,005	2,409	20,414	13.4%
Primary Study Area	24,697	1,531	28,228	6.2%	63,120	3,316	66,436	5.3%
Secondary Study Area	15,425	657	16,082	4.3%	47,858	1,414	49,272	3.0%
TOTAL	48,611	3,310	51,921	6.8%	128,983	7,139	136,122	5.5%
Notes: 1 Population growth was calculated by applying an average household size of 2.27 persons (the average for households in market-rate units in the study area) and the average vacancy rate from the 2000 Census to the number of new housing units anticipated in each study area.								

²⁶ The population estimates presented here are slightly lower than those presented in other chapters of the report. This is because the population estimates presented here are based on the assumption that new units will have a vacancy rate comparable to current overall vacancy rates for each study area, while other chapters assume that new units would be fully occupied for the purposes of maximizing worst case impacts.

As described in Chapter 1, “Project Description,” there are two build scenarios under the proposed action. One assumes that the land south of Bushwick Inlet (the Bayside Fuel site) is a park. The other assumes that the Bayside Fuel site is developed as a TransGas power facility, with the remainder of the site mapped as park. Because differences between the scenarios is the amount of developed parkland, the build out assumptions are not different between the two scenarios with respect to socioeconomic characteristics.

Under both Scenario A and B, the proposed action would result in the addition of 8,257 housing units to the proposed action area, almost doubling the housing stock as it stands under existing conditions, and increasing the housing stock by approximately 7,391 units over conditions in the No-Action Scenario. In total, new housing resulting from the proposed action would represent approximately 14.0 percent of all housing units in the study area in 2013. Figure 3-16 shows all residential and non-residential uses anticipated to be located on projected development sites by 2013.

Assuming that all new units would have an average household size of 2.27 persons per unit, the average household size for market rate units in the study area today, and that the vacancy rate would remain at 5.4 percent, the 8,257 new dwelling units on projected development sites would generate approximately 17,731 new residents by 2013. Thus, the total 2013 proposed action area population with the proposed action (including the population introduced at 184 Kent Avenue under both No-Action and With-Action conditions) would be roughly 36,286. This represents a net increase of 15,872 over the projected 2013 population for the proposed action area under No-Action conditions. Net new residents would represent approximately 44 percent of the proposed action area population in 2013, and approximately 10 percent of the study area population. Table 3-27 shows the housing and population growth expected under the With-Action scenario.

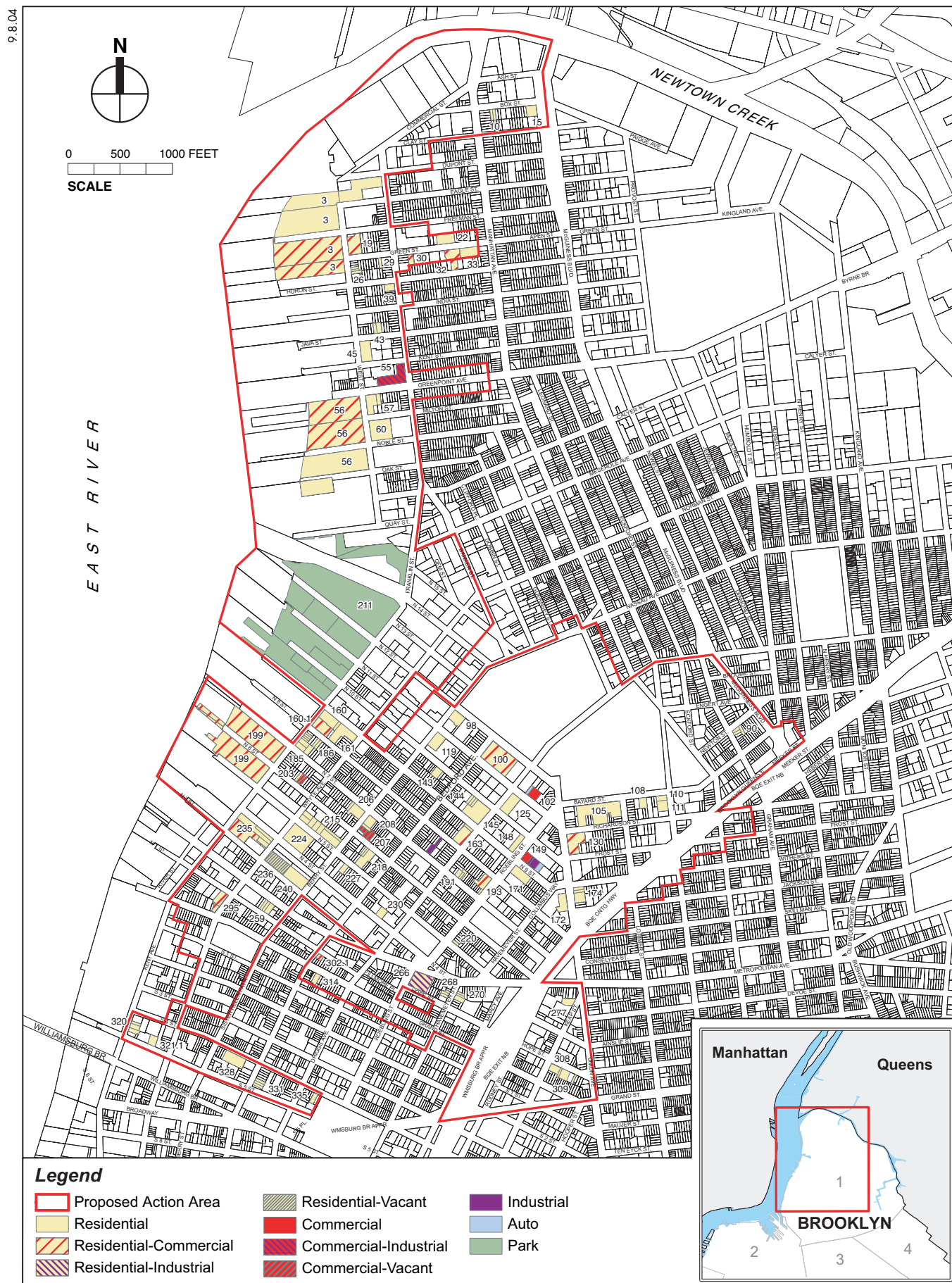
TABLE 3-27
Population and Housing Growth Under With-Action Scenario, 2003-2013

	Housing Units				Population			
	2003 Housing Units	2003-2013 Growth	Total Housing Units 2013	Percent Growth	2003 Population	2003-2013 Growth ⁽¹⁾	Total Population 2013	Percent Growth
Proposed Action Area	8,489	8,513	17,002	100.3%	18,005	18,281	36,286	101.5%
Primary Study Area	24,697	1,531	26,228	6.2%	63,120	3,316	66,436	5.3%
Secondary Study Area	15,425	657	16,082	4.3%	47,858	1,414	49,272	3.0%
TOTAL	48,611	10,701	59,312	22.0%	128,983	23,010	151,993	17.8%
Notes: 1 Population growth was calculated by applying an average household size of 2.27 persons (the average for households in market-rate units in the study area) and the average vacancy rate from the 2000 Census to the number of new housing units anticipated in each study area.								

Indirect Residential Displacement Analysis

According to the *CEQR Technical Manual*, indirect displacement of a residential population most often occurs when an action increases property values and thus rents throughout a study area, making it difficult for some existing residents to continue to afford to live in the community. The manual states that:

If the proposed action may introduce a trend or accelerate a trend of changing socioeconomic conditions *and* if the study area contains population at risk, then it can be concluded that the action would have an indirect displacement impact. Understanding the action’s potential to



introduce or accelerate a socioeconomic trend is a function of the size of the development resulting from the action compared to the study area and the type of action (does it introduce a new use or activity that can change socioeconomic conditions in the study area). . . Generally, if the proposed action would increase the population in the study area by less than 5 percent, it would not be large enough to alter socioeconomic trends significantly.

While the rezoning area and the primary and secondary study areas have already experienced a sizable increase in new market-rate housing and conversions of non-residential buildings, the increase in population in the study area of more than 5 percent resulting from the proposed action is considered under the *CEQR Technical Manual* to be large enough to affect socioeconomic trends significantly. As indicated earlier, the proposed action would increase the proposed action area population by approximately 78 percent over future No-Action conditions. (In other words, the population in the future with the proposed action would be 78 percent higher than it would be in the future without the action.) This represents a potential population increase of 18 percent over the No-Action condition in the combined proposed action area and primary study area, and 12 percent in the combined proposed action area, primary and secondary study areas.

Given the potential for the proposed action to introduce a trend or accelerate a trend of changing socioeconomic conditions and the presence of a population at risk within the study area, there could be potential for significant indirect displacement. A detailed analysis of the potential for indirect residential displacement impacts estimated a population of 2,510 vulnerable persons in the proposed action area and primary study area. Although the *CEQR Technical Manual* does not suggest thresholds for determining the significance of indirect residential displacement impacts, it does say that an impact could generally be considered significant and adverse if “households or individuals would be displaced by legal means...they would not be likely to receive relocation assistance, and, given the trend created or accelerated by the proposed action, they would not be likely to find comparable replacement housing in their neighborhood.” There is the potential for this to be true for low- and moderate-income residents living in unprotected housing units in several census tracts within the proposed action and primary study areas – a population estimated to be around 2,510 individuals or 830 households. Therefore, it has been determined that the proposed action could result in a significant adverse indirect residential displacement impact. Possible measures to mitigate this potential impact are discussed in Chapter 22, “Mitigation.” In addition, a new project alternative developed after publication of the DEIS, the Revised Affordable Housing Bonus and Incentives (Revised AHBI) Alternative, would serve to reduce and partially mitigate the significant adverse indirect residential displacement impact by introducing approximately 1,398 affordable housing units to the proposed action area. The Revised AHBI Alternative is described in Chapter 23, “Alternatives.”

At the same time, there are a number of reasons why the potential for significant indirect residential displacement under the proposed action may not be fully realized:

- **The proposed action could serve to relieve, rather than increase market pressure in the study area.** Presently, the demand for housing is strongest in the Bedford Avenue core of Williamsburg, much of which is zoned for manufacturing. Absent the proposed action, the strong demand for housing would likely reach into parts of the primary and secondary study areas that are currently zoned for residential use. As discussed above, segments of these areas contain “vulnerable population.” By allowing for more residential construction in areas where the demand is highest, the proposed action could absorb the housing demand that would otherwise be expressed through increases in rents on the periphery of the rezoning area, and in the primary study area. In effect, this could serve to insulate the vulnerable population from displacement pressures.

- **A majority of the development projected under the proposed action would occur along the waterfront, at a distance from the populations at risk.** Over two thirds of the projected residential development would occur on waterfront sites, which are generally situated more than half a mile from the Census tracts identified as containing a population at risk. New waterfront development may shift the focus of the residential neighborhood, and residential demand associated with it, to the west, away from the identified populations at risk. New upland development would, in contrast, be smaller in scale and a clear continuation of an existing development trend.
- **The proposed action could create two distinct markets for housing.** Although the action would introduce a more expensive type of housing into the area, most of the projected dwelling units would be in large developments of market-rate housing along the waterfront. This waterfront housing may form a distinct market, less likely to cause indirect displacement pressure on unregulated units in existing housing in upland areas.
- **In some areas, turnover of unregulated units is already high.** According to Census 2000 data, two of the four tracts identified as having a vulnerable population already experience high turnover of unregulated units. In tract 525, over 73 percent of the renter-occupied households living in small (unprotected) units had moved to their current apartment within five years of the survey. In tract 527, roughly 67 percent had moved within five years. In comparison, only 57 percent of all renters in small buildings in Brooklyn had moved within five years of the survey. This suggests that residents living in unregulated units in these two Census tracts may be more transient than the average renter and may move voluntarily in the next decade regardless of the proposed action.
- **Rents may not rise significantly in the areas to the north and northeast of the rezoning area due to a lack of mass transit.** Portions of Greenpoint including Tract 579 are distant from the nearest subway station, which may make the area less appealing for high-end housing development and high-income residents.
- **Unique relationships between landlords and tenants in some areas may ameliorate displacement pressure.** Parts of the area near the Williamsburg Bridge, for example, are populated by a large, tight-knit Orthodox Jewish community. Special relationships between landlords and tenants in this area could lessen the likelihood that landlords will increase the rents in unprotected units, to a level that would only be affordable by higher-income households originating outside this community.

E. CONCLUSIONS

In sum, it is concluded that while the proposed action would have the beneficial socioeconomic effect of expanding the housing supply to address strong local and citywide housing demand, it could result in significant adverse socioeconomic impacts for indirect residential displacement in portions of the proposed action area or the larger Greenpoint-Williamsburg study area. The proposed action is not expected to result in significant adverse impacts for the four other areas considered in the socioeconomic analysis: direct residential displacement, direct business displacement, adverse effects on specific industries, and indirect business displacement. Conclusions related to each of the five areas of potential socioeconomic impact, as outlined in the *CEQR Technical Manual*, are summarized below.

Direct Residential Displacement: It is estimated that the proposed action would directly displace only 9 residents. Based on the guidelines in the *CEQR Technical Manual*, the direct displacement of these residents would not result in a significant adverse impact because they do not represent a significant proportion of the proposed action area population and they are not likely to have socioeconomic characteristics that differ markedly from the study area population as a whole.

Direct Business Displacement: It is estimated that approximately 38 firms and 580 employees could be directly displaced by the proposed action. Based on the guidelines in the *CEQR Technical Manual*, the direct displacement of these businesses would not result in a significant adverse impact. First, although all of the businesses subject to displacement make some contribution to the City's economy, they are not providing substantial economic input to the City or region. Second, given the large quantity of vacant industrial land and building space in the study area and surrounding neighborhoods, there would be many opportunities for displaced businesses to relocate nearby. Third, none of the businesses are subject to regulations or publicly adopted plans to preserve, enhance, or protect them. Fourth, these employees represent only 1.7 percent of jobs in the study area and 0.1 percent of jobs in Brooklyn and none of the individual businesses subject to direct displacement define the character of the study area. Although manufacturing use has had a long history in the character of the Greenpoint-Williamsburg waterfront, economic and land use trends have already helped create a new, mixed-use character within the area. The mixed-use and light manufacturing zoning districts planned under the proposed action would also support and reinforce this mixed-use character.

Adverse Effects on Specific Industries: According to the guidelines of the *CEQR Technical Manual*, the proposed action would not have an adverse impact on a specific industry because it would not significantly impact the business conditions for any industry or category of businesses within or outside of the study area, nor would it indirectly reduce employment or impair the economic viability of a specific industrial sector or business category. As the data shows, businesses that are anticipated to be subject to direct displacement vary in type and size and are not limited to any industry (e.g., manufacturing) or industry subset (e.g., furniture manufacturing).

Indirect Residential Displacement: According to the guidelines of the *CEQR Technical Manual*, the proposed action has the potential to cause significant indirect residential displacement impacts. The action would increase the population of the study area by more than 5 percent and introduce residents with socioeconomic characteristics that are significantly different from the characteristics of residents in parts of the study area, and the study area contains a population that could be vulnerable to displacement pressures.

The *CEQR Technical Manual* suggests that a population increase of 5 percent or more could be large enough to trigger a socioeconomic change that would negatively affect a population at risk of displacement. The proposed action would introduce 17,731 residents to the area, approximately 15,872 or 78 percent more than anticipated under No-Action conditions. This would represent a population increase of 18 percent over the future No-Action condition in the combined proposed action area and primary study area, and 12 percent in the combined proposed action area, primary and secondary study areas. This increase exceeds the 5 percent threshold laid out in the *CEQR Technical Manual*. However, in recent years, the proposed action area has experienced a substantial amount of new market rate residential development and an influx of residents with higher-income occupations. As a whole, the socioeconomic characteristics of the population living in the proposed action area is already changing and is likely to continue to change over the next several years under No-Action conditions. Nonetheless, low- and moderate- income residents living in unprotected housing units in several census tracts within the proposed action and primary study area constitute a "population at risk" that is potentially subject to indirect displacement under the proposed action.

In total, it is estimated that approximately 2,510 residents or 830 households in the Greenpoint-Williamsburg study area could be subject to indirect displacement pressures under the proposed action. These people are living in approximately 838 housing units located in the proposed action area and primary study area. These residents are likely concentrated in portions of the proposed action and primary study areas, including: the far eastern portion of the proposed action area near McCarren Park, in Census tract 499; to the south of the proposed action area boundary, Census tracts 525 or 527; or in the far northern section of Greenpoint, in Census tract 579. These are estimates of the general size and location of a vulnerable population based on currently available data.

Although the *CEQR Technical Manual* does not suggest thresholds for determining the significance of indirect residential displacement impacts, it does say that an impact could generally be considered significant and adverse if “households or individuals would be displaced by legal means...they would not be likely to receive relocation assistance, and, given the trend created or accelerated by the proposed action, they would not be likely to find comparable replacement housing in their neighborhood.” There is the potential for this to be true for low- and moderate-income residents living in unprotected housing units in certain census tracts within the proposed action and primary study areas – a population estimated to be about 2,510 individuals or 830 households, according to currently available data and conditions.

A project alternative that would partially mitigate the significant adverse indirect residential displacement impact was developed after the DEIS was published. This alternative, the Revised Affordable Housing Bonus and Incentives (Revised AHBI) Alternative, is discussed in Chapter 23, “Alternatives.”

Indirect Business Displacement: According to the guidelines presented in the *CEQR Technical Manual*, the proposed action would not cause significant indirect business displacement impacts. The 253,698 sf of net new commercial development anticipated under the proposed action would not alter existing economic patterns or add to the concentration of a particular sector enough to alter trends. It would not directly displace “blighted” uses or properties such that commercial rents would increase. It would not directly or indirectly displace uses or people that support businesses in the area or form the customer bases for existing businesses. In addition, it would not introduce a land use that would offset positive trends in the study area or impede efforts to attract investment.

New households expected to locate in the proposed action area under the proposed action would bring approximately \$216.5 million per year in spending power that would be available for capture by existing and proposed retail and service establishments. Because the anticipated growth in number of households and household spending is large and the amount of commercial development expected under the proposed action is modest, it can be assumed that household demand for retail and neighborhood services would reasonably support both new neighborhood goods and service shops expected under the proposed action, as well as the existing retail establishment along the existing corridors, such as Bedford Avenue.